FRANCHISE DISCLOSURE DOCUMENT

EARLY BIRD

Early Bird Corporate, LLC
A Nebraska limited liability company
8264 Hascall Street, Suite 204
Omaha, NE 68124
402-707-6250
www.earlybirdbrunch.com
franchise@earlybirdbrunch.com

The franchise offered is for a full-service restaurant operating under the name "Early Bird" and offering breakfast and lunch menus as well as beer, wine and cocktails for dine-in or take-out, and operates using the franchisor's proprietary recipes, formulae, techniques, trade dress, trademarks and logos.

The total investment necessary to begin operation of an Early Bird Restaurant franchise is $400,000 to $2,746,500. This includes $65,000 that must be paid to the franchisor and/or its affiliate.

The total investment necessary to enter into a Multi-Unit Operator Agreement with the development rights of 2 to 5 Early Bird Restaurants is $445,000 to $2,926,500. This includes between $110,000 and $245,000 that must be paid to the franchisor and/or its 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 the disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact James Burrow or Dan Kavan at 8264 Hascall Street, Suite 204, Omaha, NE 68124, and 402-707-6250.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contracts 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, DC 20580. You can also visit the FTC's home page at *www.ftc.gov* for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 30, 2026

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement and Multi-Unit Operator Agreement require you to resolve disputes with the franchisor by arbitration only in Nebraska. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in Nebraska than in your own state.

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

DISCLOSURE REQUIRED BY THE STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(a) A prohibition on the right of a franchisee to join an association of franchises.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) Failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not

uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

Consumer Protection Division
Attn: Marilyn McEwen
525 W. Ottawa Street, 1st Floor
Lansing, Michigan 48933
(517) 373-7117

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

The Franchisor

We are Early Bird Corporate, LLC, a Nebraska limited liability company formed on April 17, 2021. Our principal place of business is 8264 Hascall Street, Suite 204, Omaha, NE 68124. In this Disclosure Document, we refer to the person or entity that will sign the Franchise Agreement (defined below) as "you," "your," or "franchisee." If you are a corporation, partnership, or other entity, these terms include all franchise owners and partners.

We do business under our corporate name, Early Bird Corporate, LLC, and the name "Early Bird." We do not do business under any other name.

We do not own or operate any businesses of the type being franchised, but we have affiliates that do. Our affiliates that operate Early Bird Restaurants include T&K Ventures, LLC (West Des Moines, Iowa), T&K Ventures II, LLC (Ankeny, Iowa), T&K Ventures III (East Village, Iowa), and Early Bird Brunch, LLC (Omaha, Nebraska). These affiliates operate company-owned Early Bird Restaurants but do not offer franchises, and do not provide products or services to franchisees.

We have not offered franchises in any other line of business and we do not engage in any other business activity. We began offering franchises as of October 2024.

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

Our Parents, Predecessors and Affiliates

We have no parents or predecessors. We do not have any affiliates that provide products or services to franchisees or offer franchisees in any line of business.

Description of Franchise

We offer franchises for the right to establish and operate a full-service restaurant offering breakfast and lunch menus, as well as beer, wine, and cocktails ("Restaurant" or "Franchised Business"). The Restaurants operate under the trade name and mark "Early Bird" and the additional principal service marks, trademarks, trade names, logos, emblems and indicia of origin identified in Item 13. These principal marks and all other marks which may be designated by us in the future in writing for use with the System (defined below) are referred to in this Disclosure Document as the "Marks" or "Proprietary Marks."

Early Bird Restaurants are operated under the Marks and the System in accordance with the terms of the Franchise Agreement. Early Bird Restaurants are typically free-standing units or end units in shopping malls or strip centers, and will need between 3,200 to 4,500 square feet of space, preferably including outdoor seating. Each Restaurant will offer dine-in and take out services. With our prior written consent only, you may offer catering and delivery services. You will operate the Restaurant from 6:30 AM to 2:30 PM, unless otherwise required by your lease or local regulations. Any modification to these operating hours requires our prior written consent. We will not unreasonably withhold our consent to modifications required by local market conditions or regulations.

The Restaurants are established and operated under a comprehensive and unique system (the "System"). The System includes distinctive signage, interior and exterior design, décor and color scheme; special recipes and menu items, including proprietary products and ingredients; uniform standards,

specifications, and procedures for operations; quality and uniformity of products and services offered; inventory, management and financial control procedures (including point of purchase and tracking systems); training and assistance; and advertising and promotional programs; all of which we may change, improve, and further develop, in our discretion. Certain aspects of the System are more fully described in this Disclosure Document and the Confidential Operations Manual (the "Manual"), which you should expect to evolve over time, that are provided to you as a franchisee (described in Item 11).

Franchise Agreement

We offer the right to establish and operate a Restaurant under the terms of a single unit franchise agreement within a specific Territory (the "Franchise Agreement"). Our current form of Franchise Agreement is Exhibit B to this Disclosure Document. You may be an individual, corporation, partnership or other form of legal entity. Under the Franchise Agreement, certain parties are characterized as Franchisee's Principals (referred to in this Disclosure Document as "your Principals"). The Franchise Agreement is signed by us, by you, and by those of your Principals whom we designate as Controlling Principals. In most instances, we will designate your principal equity owners, executive officers, and certain affiliated entities as Controlling Principals. By signing the Franchise Agreement, your Controlling Principals agree to be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and non-competition, and to personally guarantee your performance under the Franchise Agreement (see Item 15). Depending on the type of business activities in which you or your Principals may be involved, we may require you or your Principals to sign additional confidentiality and non-competition agreements.

You must designate a general manager who will be the main individual responsible for your business. We recommend, but do not require, that you be the General Manager. Your General Manager does not have to own an equity interest in you or the franchise. The General Manager must sign covenants to maintain the confidentiality of information he/she learns while employed as your General Manager, and your General Manager must sign non-competition covenants.

You must also designate an Operating Principal for your Restaurant who must have at least a 10% ownership interest in you and/or the franchise. Your Operating Principal will be our primary point of contact for matters related to your Restaurant, and we will rely on your Operating Principal to make decisions affecting your Restaurant. Your Operating Principal must sign covenants to maintain the confidentiality of information he/she learns, as well as non-competition covenants.

Multi-Unit Operator Agreement

In certain circumstances, we will offer the right to enter into a Multi-Unit Operator Agreement in the form attached as Exhibit C to this Disclosure Document (the "Multi-Unit Operator Agreement") to develop multiple franchised Restaurants to be located within a specifically described geographic territory (the "Development Area"). We will determine the Development Area before you sign the Multi-Unit Operator Agreement and it will be included in the Multi-Unit Operator Agreement. You must establish a minimum of two Restaurants within the Development Area according to a minimum performance schedule, and you must sign a separate Franchise Agreement for each Restaurant established under the Multi-Unit Operator Agreement. The Franchise Agreement for the first Restaurant developed under the Multi-Unit Operator Agreement will be in the form attached as Exhibit B to this Disclosure Document, and we expect that you will sign the first Franchise Agreement at the same time you sign the Multi-Unit Operator Agreement. For each additional Restaurant developed under the Multi-Unit Operator Agreement, you must sign our then-current form of Franchise Agreement that we are then offering to new franchisees, which may contain terms and conditions that are different from the Franchise Agreement attached to this disclosure document. The size of the Development Area will vary depending upon local market conditions and the

number of Restaurants to be developed (see Item 12).

Market and Competition

The market for restaurants in general is well developed and intensely competitive. You will serve the general public and will compete with a variety of businesses, including locally owned to regional, national and chain restaurants, some of which may be franchise systems. We may establish other Restaurants in your area (if permitted under the Franchise Agreement) and/or sell or license others to sell products in your area. Also, we may sell products through the Internet, toll-free telephone numbers, catalogs, or other similar means of distribution to customers at any location, which may be located in your area. See Items 12 and 16 for a description of your permitted activities and your rights, and our permitted and restricted activities and rights.

Industry Regulations

The restaurant industry is heavily regulated. A wide variety of Federal, state and local laws, rules and regulations have been enacted that may impact the operation of your Restaurant, and may include those which: (a) establish general standards, zoning, permitting restrictions and requirements and other specifications and requirements for the location, construction, design, maintenance and operation of the Restaurant's premises; (b) set standards pertaining to employee health and safety; (c) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for restaurants and laws and regulations relating to access by persons with disabilities; employee practices concerning the storage, handling, cooking and preparation of food; restrictions on smoking; available of and requirements for public accommodations and requirements for fire safety and general emergency preparedness; (d) establish requirements for food identification and labeling; and (e) regulate advertisements. State and local agencies inspect restaurants to ensure that they comply with these laws and regulations. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Restaurant and you should consider both their effect and costs of compliance.

Many of the laws, rules and regulations that apply to business generally, such as the Americans With Disabilities Act, Federal Wage and Hour Laws and the Occupational Safety and Health Act, also apply to restaurants. The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce laws and regulations that govern food preparation and service and restaurant sanitary conditions. The federal Clean Air Act and various implementing state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particulate matters, including caps on emissions from commercial food preparation. Some areas have also adopted or are considering proposals that would regulate indoor air quality.

You must identify, investigate, satisfy and comply with all laws, ordinances and/or regulations applicable to your Restaurant, including employment, workers' compensation, insurance, corporate, tax, public health and similar laws and regulations, because they vary from place to place, can change over time and may affect the operation of your Restaurant. You should independently research and review the legal requirements of the food services industry with your own attorney before you sign any binding documents or make any investments.

You must offer alcoholic beverages for sale at your Restaurant, unless local laws and regulations prohibit the sale of alcoholic beverages, or unless we permit you to operate a Franchised Restaurant that does not offer alcoholic beverages. You must comply with any federal, state, county, municipal, or other local laws and regulations relating to alcoholic beverages that may apply to your Franchised Restaurant. You should consult with your attorney concerning those and other local laws and ordinances that may affect

the operation of your Franchised Restaurant. You must obtain any applicable real estate permits (such as zoning), real estate licenses, liquor licenses and operational licenses.

The Nutrition Labeling and Education Act (NLEA) sets regulations for food labeling, including nutritional label standards, nutrient content claims, and health claims. NLEA applies to virtually all foods in the food supply, including food served and sold in restaurants. While NLEA specifies a number of exemptions for restaurants, there are many instances where a nutritional label is required. The Food and Drug Administration's *Nutritional Labeling Guide for Restaurants and Other Retail Establishments* provides answers to commonly asked questions regarding the application of NLEA.

You must have your license to offer alcoholic beverages before you open the Restaurant. The difficulty and cost of obtaining a liquor license and the procedures for securing the license vary greatly from area to area. There is also wide variation in state and local laws and regulations that govern the sale of alcoholic beverages. In addition, state "dram shop" laws give rise to potential liability for injuries that are directly or indirectly related to the sale and consumption of alcohol.

Each of your managers and other employees we designate must be ServSafe (or similar) certified. Certain managers and other employees we designate (including bartenders) must also complete alcohol awareness or TIPS training.

ITEM 2
BUSINESS EXPERIENCE

Owner – James Burrow

James Burrow is our co-owner. Since September 2015, James has also served as an Executive Account Manager with Smith and Nephew in Omaha, NE. From 2010 to November 2020, James was the owner of a Massage Heights franchise in Omaha, NE.

Owner – Andrew Meier

Andrew Meier is our co-owner. Since November 2018, Andrew has also been an owner of Early Bird, LLC in Omaha, NE. Since June 2008, Andrew has also been an owner of Mid Neb. Coin-Op, Inc. in Grand Island, NE.

President – Daniel Kavan

Daniel Kavan has served as our President since June 2024. From August 2023 to May 2024, Daniel served as our Vice President. Since May 2023, Daniel has also served as a consultant and owner of Kavan Management Company in Omaha, NE. From November 2008 to April 2023, Daniel was the President and Chief Operating Officer of Cutchall Management Company in Omaha, NE.

Franchise Sales Director - Trisha Goode

Trisha Goode has served as our Franchise Sales Director since August 2023. Since May 2021, Trisha has been an owner of T&K Ventures, LLC in West Des Moines, IA which owns and operates a company owned Early Bird Restaurant. Since August 2023, Trisha has been an owner in T&K Ventures II, LLC which owns and operates a company owned Early Bird Restaurant in Ankeny, IA. Since July of 2024, Trisha has been an owner of T&K Ventures III, which owns and operates a company owned Early Bird Restaurant in East Village, IA. Since 2007, Trisha has been the owner of Therapy Investments dba Massage Heights Ingersoll in Des Moines, IA. From 2007-2020 Trisha Goode was the owner of Relax Investments,

LLC which owned the Iowa and Nebraska territory for Massage Heights where she was the regional developer, selling and supporting 12 locations.

Director of Marketing – Codie Burrow

Codie Burrow is our Director of Marketing. Since November 2018, Codie has served as the Director of Marketing for T&K Ventures, LLC in West Des Moines, IA and for T&K Ventures II, LLC in Ankeny, IA which operate company owned Early Bird Restaurants.

Director of Franchise Operations – Julia Lapke

Julia Lapke has served as our Director of Franchise Operations since April 2021. Since April 2021, Julia has served as a regional manager for Early Bird Brunch, LLC in Omaha, NE.

Assistant Director of Franchise Operations – Tim Emerson

Tim Emerson has served as our Assistant Director of Franchise Operations since August 2021. Since August 2021, Tim has served as an area manager for Early Bird Brunch, LLC in Omaha, NE. From March 2019 to July 2024, Tim was the owner of Emerson Events in Omaha, NE.

Food/Beverage/Operations Director– Kendall Owen

Kendall Owen has served as our Food/Beverage/Operations Director since August 2023. Since April 2023, Kendall has been a partner in T&K Ventures II, LLC in Ankeny, IA which owns and operates a company owned Early Bird Restaurant. Since November 2000, Kendall has been a partner in T&K Ventures, LLC in West Des Moines, IA which owns and operates a company owned Early Bird Restaurant. From November 2017 to April 2021, Kendall was a franchise business consultant with Massage Heights throughout the United States. From January 2019 to April 2020, Kendall served as a General Manager for Jethro's BBQ in West Des Moines, IA.

ITEM 3
LITIGATION

Chavonnes Badenhorst St Clair Cooper vs. Andrew Meier (Bank. S.D. Fla., Case No.: 23-11046-PDR). On March 22, 2024, Chavonnes Badenhorst St Clair Cooper (the "Plaintiff") filed an Adversary Complaint for Avoidance and Recovery of Transfers Pursuant to South African Law against Andrew Meier in her capacity as the Foreign Representative of Mirror Trading International (PTY) Ltd. The Plaintiff brought claims against Mr. Meier for recovery of disposition of property without value pursuant to Section 26 of the Insolvency Act, 24 of 1936 of the Republic of South Africa (the "SA Insolvency Act"); recovery of voidable preference pursuant to Section 29 of the SA Insolvency Act; and recovery of undue preference pursuant to Section 30 of the SA Insolvency Act. The Plaintiff seeks $64,878.47, its reasonable attorneys' fees, expenses and costs and other relief. Andrew Meier is aggressively defending this matter.

Except as stated above, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Franchise Agreement: You must pay us an initial franchise fee of $60,000 for the right to establish a single Early Bird Restaurant under a Franchise Agreement. You must pay the initial franchise fee in full when you sign the Franchise Agreement. The initial franchise fee compensates us for costs we may incur in awarding the franchise, providing initial training and pre-opening assistance, and for our general business purposes. The initial franchise fee is imposed uniformly on all franchisees and is fully earned upon payment and non-refundable under any circumstances.

Secret Penguin Marketing and Design Service: You must pay us a Secret Penguin Marketing and Design Service fee of $5,000 per franchised location. This fee is paid to us in full before the location opens. The Secret Penguin Marketing and Design Service fee covers the following services provided by us or through our designated vendor for your franchised location: mural design, location graphics, press release preparation, and other design-related assistance; email services for one (1) year for up to four (4) users; coffee mug art; exterior signage files; and billboard design for up to two (2) billboards. This fee is imposed uniformly on all franchisees and is fully earned upon payment and non-refundable under any circumstances.

Multi-Unit Operator Agreement: If you qualify to develop and operate multiple Early Bird Restaurants, then you will pay to us a development fee equal to the sum of: (a) a discounted initial franchise fee ($55,000) for the first Restaurant to be developed, (b) $50,000 for the second Restaurant to be developed and (c) $45,000 for each additional Restaurant you commit to develop under the Multi-Unit Operator Agreement. You must pay the development fee in full when you sign the Multi-Unit Operator Agreement. The development fee is imposed uniformly on all multi-unit operators, is fully earned by us when paid and is non-refundable under any circumstances, including if you fail to develop any Restaurant(s) or if we terminate the Multi-Unit Operator Agreement due to your default. In the calendar year 2025, we offered a discounted fee for 3 locations of $64,000.

ITEM 6
OTHER FEES

Type of fee[1]	Amount	Due Date	Remarks
Royalty Fee [2]	4% of Gross Sales	Payable weekly on Wednesday (unless Wednesday is not a business day, then it is due on the next business day)	Royalty Fees are calculated based on Gross Sales for the previous week ending Sunday. Amounts due will be withdrawn by EFT from your designated bank account. You must maintain sufficient funds in the account to cover all payments when due, and you may not block, reverse, or interfere with any EFT withdrawal.

Type of fee[1]	Amount	Due Date	Remarks
Brand Development Fee [3]	Up to 1% of Gross Sales	Payable together with the Royalty Fee	The Brand Development Fund is described in Item 11. With prior written notice to you, we may increase the Brand Development Fee to 2% of Gross Sales. Amounts due will be withdrawn by EFT from your designated bank account
Local Marketing	Up to 2% of Gross Sales; however, we may require up to 5%.	Must be spent monthly	Payable to your local marketing suppliers. We may require that some or all of the local marketing funds be paid directly to us instead. If we require this, we will work with our preferred marketing agency to advertise within your territory. Any marketing you wish to use must first be approved by us
Cooperative Marketing [3] [4]	Currently not assessed.	As determined by the members	If a marketing cooperative is formed for your area, you must join the cooperative. Any money you contribute to a cooperative will count toward your local marketing requirement. We estimate that the required contribution will be between 1% and 3% of Gross Sales, but not more than 3%
Initial Training (For New or Replacement Employees)	$2,000 per person, subject to annual adjustment on January 1 of each year based on the percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) published by the U.S. Bureau of Labor Statistics, with the base year being 2025	Before Training	We will train up to four people at no additional charge. If you request that we provide our initial training program to any additional employees, or to new or replacement employees during the term of your Franchise Agreement, you must pay our training fee as well as the trainees' expenses, including travel, lodging, meals and wages

Type of fee[1]	Amount	Due Date	Remarks
Additional On-Site Training	$350 per day per trainer plus expenses, subject to annual adjustment on January 1 of each year based on the percentage increase in the Consumer Price Index for All Urban Consumers (CPI-U) published by the U.S. Bureau of Labor Statistics, with the base year being 2025	When billed	If you request additional training at your Restaurant, you must pay our daily fee for each trainer we send, plus reimburse each trainer's expenses (travel, lodging, and meals).
Relocation Fee	30% of our then-current initial franchise fee	Upon approval of your relocation request	If you wish to relocate your Restaurant
Insufficient Funds Fee	$100	On demand, if incurred	Payable if there are insufficient funds in your account to pay fees due to us. If you incur three insufficient funds fees in any 12-month period, we have the right to terminate your Franchise Agreement
Interest	18% per annum or the highest interest rate allowed by applicable law (whichever is lower)	On demand	Interest may be charged on all overdue amounts. Interest accrues from the original due date until payment is received in full.
Audit Fee	Cost of audit (estimated to be between $1,000 and $5,000)	When billed	Payable only if we find, after an audit, that you have understated any amount you owe to us or Gross Sales by 2% or more. You must also pay the understated amount plus interest
Prohibited Product or Service Fine	$250 per day of use of unauthorized products or services	If incurred	In addition to other remedies available to us
Transfer Fee (Franchise Agreement)	$20,000	Upon completion of the transfer	No fee will be charged for a one-time transfer from individual(s) to a corporate entity, provided that the corporate entity is formed solely for the convenience of ownership of the franchise.

Type of fee[1]	Amount	Due Date	Remarks
Transfer Fee (Multi-Unit Operator Agreement)	$25,000	Upon completion of the transfer	No fee charged for a one-time transfer from individual(s) to a corporate entity formed for convenience of ownership of the franchise
Renewal Fee	$5,000	Upon renewal of the Franchise Agreement	You will only need to pay this fee if you renew the Franchise Agreement. There is no renewal under the Multi-Unit Operator Agreement.
Inspection and Testing	Reimbursement of our costs (but not more than $1,000)	On demand	Payable if you request that we evaluate a product or supplier that we have not previously approved and that you want to use for your Restaurant (see Item 8). Also payable if we determine that your Restaurant is offering items that do not conform to our specifications
Liquidated Damages	Varies	On demand	See Note 5.
Costs and Attorneys' Fees	Varies	On demand	If you default under your agreement, you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating the agreement
Indemnification	Varies	On demand	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 Franchised Business or for costs associated with defending claims that you used the trademarks in an unauthorized manner

Type of fee[(1)]	Amount	Due Date	Remarks
Repair, Maintenance, and Remodeling/ Redecorating	Varies	As incurred	Payable to approved suppliers. You must regularly clean and maintain your Restaurant and its equipment. We may require you to remodel or redecorate your Restaurant to meet our then-current image for all Early Bird Restaurants. We will not require you to remodel or redecorate your Restaurant more frequently than every five years
Charges for "mystery shopper" quality control evaluation	Up to $150	Monthly	See Note 6. The mystery shopper program will be separate from our programs for customer surveys and customer satisfaction audits (which may require you to accept coupons from participating customers for discounted or complimentary items)
Gift Cards/Loyalty Cards	To be determined	To be determined	See Note 7. We may establish a loyalty or gift card program. If so, you will be required to honor the gift card, regardless of whether it was authorized by you. You shall sell, issue, or redeem gift cards without any offset from Royalties or other fees owed to the Franchisor.
Insurance Premiums	Reimbursement of our costs, plus 10% administrative fee	On demand	If you do not maintain the required insurance coverages, we have the right (but not the obligation) to obtain insurance on your behalf
Management Fee	10% of Gross Sales, plus expenses	If incurred	We may step in and manage your Restaurant in certain circumstances, such as death, disability or prolonged absence. We will charge a management fee if we manage your Restaurant, and you must reimburse our expenses

Type of fee[(1)]	Amount	Due Date	Remarks
Quality Assurance Audits	To be determined	To be determined	We reserve the right to contract with a quality assurance auditing company to inspect your Restaurant to make sure you are operating according to our specifications. May be payable to us as a reimbursement or directly to the approved supplier
Health and Safety Inspection	$500 to $700	As incurred	We may designate a third party to conduct health and safety inspections at your Restaurant. Payable to the approved supplier
Compliance with Systems/Manual Changes	To be determined	To be determined	To maintain the competitive nature of the System, we reserve the right to make changes to the System or Manuals. You will be required to comply with those changes, at your sole expense. Although no changes are currently contemplated, expenses for changes may be payable to Us, our Affiliate, or Third-party.

Notes:

1. All fees described in this Item 6 are non-refundable. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed and you must pay them to us. All fees are imposed uniformly on all Franchisees. Except as specifically stated above, the amounts given may be due to changes in market conditions, our cost of providing services and future policy changes. At the present time we have no plans to increase payments over which we have control.

2. For the purposes of determining the royalties to be paid under the Franchise Agreement, "Gross Sales" means the total selling price of all services and products and all income of every other kind and nature related to the Franchised 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 Sales will be determined based on the records of the point of sale system. Any cash shortage will not be factored into this determination. Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments.

The Royalty Fee and Brand Development Fee will be withdrawn from your designated bank account by electronic funds transfer ("EFT") weekly on Wednesday based on the Restaurant's Gross Sales for the preceding week ending Sunday. If you do not report the Restaurant's Gross Sales, we may debit

your account for 120% of the last Royalty Fee and Brand Development Fee that we debited. If the fees we debit are less than the fees you actually owe us, once we have been able to determine the true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the fees we debit are greater than the fees you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following week.

If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

If a state or local law applicable to your Restaurant prohibits or restricts in any way your ability to pay Royalty Fees or other amounts based on Gross Sales derived from the sale of alcoholic beverages at the Restaurant, then the percentage rate for calculating Royalty Fees shall be increased, and the definition of Gross Sales shall be changed to exclude sales of alcoholic beverages, so that the Royalty Fees to be paid by you shall be equal to the amounts you would have had to pay if sales from alcoholic beverages were included in Gross Sales. If you are not permitted by law to pay Royalty Fees on the sale of alcoholic beverages, we will adjust the royalty percentage applicable to non-alcoholic sales to maintain the economic equivalent of the original Royalty Fee structure.

3. We have established and administer a Brand Development Fund on behalf of the System (see Item 11) to provide national or regional creative materials for the benefit of the System.

4. Cooperatives will include all Restaurants in a designated geographic area, whether owned by us, our affiliates or our franchisees. Each Restaurant has one vote in the cooperative. Franchisor-owned outlets will have the same voting power as you in the Cooperative and we will not have controlling voting power. No Cooperatives have been established as of the date of this Disclosure Document.

5. If we terminate your Franchise Agreement for cause, you must pay us within 15 days after the effective date of termination liquidated damages equal to the average monthly Royalty Fees you paid or owed to us during the 12 months of operation preceding the effective date of termination (or if you operated for less than 12 months, based on the months of actual operation) multiplied by (a) 36 (being the number of months in three full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is lower. You agree that this formula represents a reasonable estimate of our damages and is not a penalty.

6. We may use an independent service to conduct a “mystery shopper” quality control and evaluation program. You must participate in this program, and we may require that you pay the then-current charges imposed by the evaluation service (as we direct, either directly to the evaluation service provider or to us as a reimbursement).

7. We reserve the right to establish a gift card program and/or a loyalty card program. If established, you must participate in our gift card and loyalty card programs.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR ONE STANDARD FRANCHISE

Type Of Expenditure	Low Amount	High Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee [(1)]	$60,000	$60,000	Lump Sum	When Franchise Agreement Signed	Us
Rent – 3 Months [(2)]	$27,000	$60,000	As arranged	As arranged	Landlord
Utilities [(2)]	$6,000	$12,000	As arranged	As arranged	Landlord, Utility Companies
Leasehold Improvements [(3)]	$97,000	$1,500,000	As arranged	As arranged	Contractor
Signage [(4)]	$10,000	$50,000	As arranged	As arranged	Suppliers
Furniture, Fixtures and Equipment [(5)] [(6)]	$65,000	$285,000	As arranged	As arranged	Suppliers
Point of Sale System [(7)]	$5,000	$20,000	As arranged	As arranged	Suppliers
Business Licenses and Permits [(8)]	$2,000	$8,000	As arranged	As arranged	Government Agencies
Liquor License[(9)]	$500	$500,000	As arranged	As arranged	Government Agencies
Professional Fees [(10)]	$5,000	$15,000	As arranged	As arranged	Attorney, Accountant
Architectural/ Design Fees [(11)]	$8,000	$45,000	As arranged	As arranged	Architect, Engineer, Designer
Insurance – 3 Months [(12)]	$5,000	$10,000	As arranged	As arranged	Insurance Companies
Inventory [(13)]	$22,500	$35,000	As arranged	As arranged	Suppliers
Training Expenses [(14)]	$27,000	$60,000	As arranged	As arranged	Airline, Hotel, Restaurant, etc. and Us
Grand Opening Marketing [(15)]	$10,000	$10,000	Lump Sum (if we conduct it ourselves) or as arranged	At least ninety (90) days prior to the Restaurant opening	Us (if we conduct it ourselves) or to Suppliers

Type Of Expenditure	Low Amount	High Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Secret Penguin Marketing and Design Service (16)	$5,000	$5,000	Lump Sum	Prior to the Restaurant opening	Us
Additional Funds – 3 Months (17)	$45,000	$71,500	As arranged	As arranged	You Determine
TOTAL ESTIMATED INITIAL INVESTMENT FOR SINGLE FRANCHISE AGREEMENT (18)	**$400,000**	**$2,746,500**			

YOUR ESTIMATED INITIAL INVESTMENT FOR 2 TO 5 FRANCHISES

Type Of Expenditure	Low Amount	High Amount	Method Of Payment	When Due	To Whom Payment Is To Be Made
Development Fee for 2 to 5 locations[18]	$105,000	$240,000	Lump Sum	Upon execution of Area Multi-Unit Operator Agreement	Us
Initial Investment to Open Initial Early Bird Business [3]	$340,000	$2,686,500	See Chart A of this Item 7.		
TOTALS	$445,000	$2,926,500			

None of the expenses listed in the chart above are refundable, except security deposits. Security deposits may be refundable under the terms of your lease or utility agreements with third parties. We cannot guarantee that any deposits will be refunded. We do not offer financing for any portion of your initial investment. Our estimates assume you will purchase all required items. Your costs may be lower if you lease some items instead of purchasing them.

Notes:

1. ***Initial Franchise Fee***. The amount disclosed is for an initial restaurant. Initial franchise fee under the multi-unit operator agreement for one restaurant is $60,000. This fee is non-refundable upon payment.

2. ***Rent; Security Deposits***. Our estimates assume that you will lease space for your Restaurant. Your Restaurant must be in a free-standing building or end cap of a shopping mall or strip center, with a space requirement of approximately 3,200 to 4,500 square feet, subject to our final approval of the location and specifications. Landlords may vary the base rental rate and charge rent based on a

percentage of gross sales. In addition to base rent, your lease may require you to pay common area maintenance charges ("CAM Charges") for your *pro rata* share of the real estate taxes and insurance, and your pro rata share of other charges. The actual amount you pay under the lease will vary depending on the size of the Restaurant, the types of charges that are allocated to tenants under the lease, your ability to negotiate with landlords and the prevailing rental rates in the geographic region (for example, rental rates in major cities such as New York, Chicago, and Los Angeles are likely to be higher).

If you choose to purchase real property on which to build your Restaurant, your initial investment may be higher than what we estimate above. If you purchase real property, the impact on your total initial investment will depend on various factors, such as the purchase price of the property, construction costs, and financing terms.

Our estimate also includes security deposits you may have to pay to your landlord and your local utility companies, such as water, gas and electric.

3. ***Leasehold Improvements***. The cost of leasehold improvements will vary depending on numerous factors, including: (i) the size and configuration of the premises; (ii) pre-construction costs (including demolition of existing walls and removal of existing improvements and fixtures); and (iii) cost of materials and labor, which may vary based on geography and location or whether you must use union labor for the build-out of your Restaurant. These figures are our principals' best estimate based on remodeling/finish-out rates in the Omaha, Nebraska area. These amounts may vary substantially based on local conditions, including the availability and prices of labor and materials. These costs may also vary depending on whether certain of these costs will be incurred by the landlord or through landlord tenant improvement contributions, and the condition of the space before you take possession of the premises. The lower end of our estimate assumes that you have leased a space that was previously operated as a restaurant and that you will convert to an Early Bird Restaurant. The higher end of our estimate assumes that you have leased a "vanilla box" space and that significant improvements are required. Our estimate does not include any tenant improvement allowance that you may negotiate.

4. ***Signage***. These amounts represent your cost for interior and exterior signage. Your landlord or your local ordinances may have different restrictions it places on interior and exterior signage which may affect your costs.

5. ***Furniture and Fixtures***. The furniture and fixtures you will need for your Restaurant include, but are not limited to: bar stools, booths, tables, chairs, artwork, décor items, security system and cameras.

6. ***Equipment***. The equipment you will need for your Restaurant includes: grill, stove, ovens, convection ovens, refrigerators, freezers, steam table, salamander, commercial toaster, meat slicer, sinks, prep tables and small wares.

7. ***Point of Sale System***. You must obtain and maintain the point of sale system that we specify, including any future updates or replacements we require. The point of sale system is described in Item 11. You must also ensure the system remains connected to our network as we specify.

8. ***Licenses and Permits***. These are estimates of the costs for obtaining local business licenses which typically remain in effect for one year. These figures do not include occupancy and construction permits which are included in the blueprints estimate. The cost of these permits and licenses will vary substantially depending on the location of the Franchised Business. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

9. ***Liquor License*:** You must offer alcoholic beverages at your Restaurant unless (i) prohibited by applicable law or regulation, (ii) you are unable to obtain a liquor license after reasonable efforts, or (iii) we provide written consent for you not to offer alcoholic beverages. The cost of a liquor license will generally range from $2,000 to $10,000, depending on the location and jurisdiction. It can be even higher in some locations. We strongly recommend that you verify the cost and availability of a liquor license in your jurisdiction before signing the Franchise Agreement.

10. ***Professional Fees***. We strongly recommend that you engage an accountant and a franchise attorney to advise you in your evaluation of the franchise we are offering.

11. ***Architect/Design Fees***. These are the estimate of your costs to obtain architectural and design services necessary for the construction of the Restaurant. We must approve of your construction plans before you begin to build out the Restaurant, and we reserve the right to inspect the Restaurant during its build-out to make sure that construction is being done according to the plans we approved and our specifications. We reserve the right to require you to use our designated architect/designer.

12. ***Insurance***. These figures are estimates of the cost of the quarterly premiums for the insurance you must obtain and maintain for your Restaurant, as described in Item 8. Insurance premiums may be payable monthly, quarterly, semi-annually or annually, based on the insurance company's practices and your creditworthiness. Currently you must maintain the following insurance: (a) general liability insurance with limits not less than $1,000,000 per occurrence and $2,000,000 aggregate; (b) personal injury insurance with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate; (c) liquor liability insurance with limits not less than $1,000,000 per occurrence and $2,000,000 aggregate; (d) automobile liability insurance in the amount of $1,000,000 combined single limit and including hired and non-hired vehicles; (e) property damage insurance with coverage at replacement cost; (f) business interruption insurance in an amount to cover expenses for at least 90 days); (g) product liability insurance with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate; (h) worker's compensation with limits required by applicable state law, but not less than $500,000; (i) any insurance required by the terms of lease (or mortgage) for the Restaurant; and (j) any other insurance we may require in the future.

13. ***Inventory***. These amounts represent your initial inventory of food and beverage supplies, paper products, cleaning materials and supplies.

14. ***Training Expenses***. We provide initial training for up to four people at no additional charge. These estimates include only your out-of-pocket costs associated with attending our initial training program, including travel, lodging, meals and applicable wages. These amounts do not include any fees or expenses for training any other personnel. Your costs may vary depending on your selection of lodging and dining facilities and mode and distance of transportation.

15. ***Grand Opening Marketing***. You agree to conduct a grand opening advertising and promotional program ("Grand Opening Program") beginning 90 days prior to your scheduled opening and ending 60 days following the opening of the Franchised Business. The Grand Opening Program must target prospective customers throughout the Territory and meet the standards we establish from time to time. You must spend a minimum of $10,000 on the Grand Opening Program. The amounts you spend on the Grand Opening Program are in addition to the Brand Development Fund Fees that you must pay to us. Upon request by us, you must provide us with a report itemizing the amounts you spent on the Grand Opening Program. If you fail to spend the minimum required amount on the Grand Opening Program, we have the right to collect from you the difference between what you actually spent and the minimum required expenditure and contribute such difference to the Brand Development Fund (defined below).

16. ***Additional Funds***. You will need capital to support ongoing expenses, such as payroll, utilities, rent, royalty fees and brand development fees, if these costs are not covered by sales revenue for your first three months of operation. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

17. ***Secret Penguin Marketing and Design Service***. This fee is paid to us in full before the location opens. The Secret Penguin Marketing and Design Service fee covers the following services provided by us or through our designated vendor for your franchised location: mural design, location graphics, press release preparation, and other design-related assistance; email services for one (1) year for up to four (4) users; coffee mug art; exterior signage files; and billboard design for up to two (2) billboards.

18. ***Total for One Franchise Agreement***. We relied upon our affiliates' experience in operating similar restaurants in Nebraska since 2015 when preparing these figures. Your actual costs may vary greatly and will depend on factors such as the size and condition of the space and cost to convert to a Restaurant, your management skill, experience and business acumen; local economic conditions; the local market for the Restaurant's products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These amounts do not include any estimates for debt service. These are only estimates and your costs may vary based on actual rental prices in your area, and other site-specific requirements or regulations. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

19. ***Development Fee and Total for Multi-Unit Operator Agreement***. The Development Fee consists of: (a) a discounted initial franchise fee ($55,000) for the first Restaurant to be developed; (b) $50,000 for the second Restaurant to be developed; and (c) $45,000 for each additional Restaurant you commit to develop under the Multi-Unit Operator Agreement.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must purchase or lease and install all fixtures, furnishings, equipment (including point of sales system and communication systems), décor items, signs and related items we require, all of which must conform to the standards and specifications stated in our Manual or otherwise in writing, unless you have first obtained our written consent to do otherwise. You may not install or permit to be installed on the Restaurant premises any fixtures, furnishings, equipment, décor items, signs, games, vending machines or other items without our prior written consent and that do not comply with our specifications.

You must operate the Restaurant in strict conformity with the methods, standards, and specifications that we prescribe in the Manual or otherwise in writing. You must maintain in sufficient supply and use and sell at all times only those food and beverage items, ingredients, products, materials, supplies and paper goods that meet our standards and specifications. All menu items must be prepared in accordance with the recipes and procedures specified in the Manual or other written materials. You must not deviate from these standards and specifications by the use or offer of non-conforming items, or differing amounts of any items, without obtaining our written consent first. You must sell and offer for sale only those menu items, products and services that we have expressly approved for sale in writing. You must offer for sale all products and services required by us in the manner and style we require, including dine-in and take-out services. You must stop offering for sale any items, products and services we may disapprove in writing at any time. We may modify our standards and specifications at any time in our sole discretion. We will provide you notice in the Manual or otherwise in writing, including but not limited to via e-mail,

of any changes in our standards and/or specifications.

You must permit us or our agents, at any reasonable time, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant free of charge for testing by us or by an independent laboratory to determine whether the samples meet our then-current standards and specifications. In addition to any other remedies we may have, we may require you to reimburse our costs for the testing if we have not previously approved the supplier of the item or if the sample fails to conform to our specifications.

You must obtain all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including point of sale systems and communication systems), and other products used or offered for sale at the Restaurant solely from suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current standards and specifications.

A complete list of our approved products and suppliers will be included in the Manual and is subject to change over time. We will provide you notice in the Manual or otherwise in writing (such as via e-mail) of any changes to the lists of approved products and approved suppliers. Currently neither we nor any of our affiliates are approved suppliers for any items. If we or our affiliates become approved suppliers in the future, we and/or our affiliates reserve the right to earn a profit on the sale of items to our franchisees. None of our officers has an ownership interest in any approved supplier. No approved supplier will make payments to us from your purchases. We do not provide material benefits to you based on your purchase or particular products or services or use of particular suppliers.

If you wish to purchase, lease or use any products that we have not previously approved, or purchase or lease from a supplier we have not previously approved, you must submit a written request for approval or you must request the supplier to do so. You must reimburse our costs related to our testing and inspection (not to exceed $1,000). We must approve any supplier in writing before you make any purchases from that supplier. We can require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered, either to us or to an independent laboratory, for testing. We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval if the supplier fails to continue to meet any of our then-current standards. Our supplier approval procedure does not obligate us to approve any particular supplier. We will notify you in writing within 30 days after we complete the inspection and evaluation process of our approval or disapproval of any proposed supplier. We are not required to make available to you or to any supplier our criteria for product or supplier approval. We are not obligated to approve any specific product or supplier if we reasonably believe that approval of that product or supplier is not in the best interests of the System. We may revoke our prior approval of any product or supplier at any time, and after your receipt of written notice from us regarding our revocation you must stop using that product or stop purchasing from that supplier.

If we permit you to provide catering and/or delivery services, any vehicle that you use to deliver Restaurant products and services to customers must be no older than 5 years, large enough to deliver or cater food for at least 10 persons and contain any signage we may require from time to time, have the ability to satisfy the requirements imposed on you under the Franchise Agreement, and must be properly licensed/registered and insured. You must place the signs and décor items on the vehicle we require and must at all times keep the vehicle clean and in good working order. You must have each person providing those services to comply with all laws, regulations and rules of the road and to use due care and caution operating and maintaining the motor vehicles. Except as described in this paragraph, we do not have any standards or exercise control over any motor vehicle that you use.

We and/or our affiliates may develop for use in the System certain products which are prepared from confidential proprietary recipes and other proprietary products which bear the Marks. Because of the

importance of quality and uniformity of production and the significance of those products in the System, it is to your and our benefit that we closely control the production and distribution of those products. Therefore, you will use only our proprietary recipes and other proprietary products and will purchase those items solely from us or from a source designated by us for all of your inventory of those products.

We may, when appropriate, negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System. Currently, we have an arrangement with Sysco for the supply to the franchise system of food and beverages. Under the arrangement with Sysco, our franchise system receives monies based upon each location opening and the dollar amount of purchases from all locations. Other than the Sysco arrangement, we do not currently, but we may in the future, negotiate supply arrangements with suppliers for the benefit of franchisees.

As of the date of this Disclosure Document, there are no purchasing or distribution cooperatives in which you must participate. When determining whether to grant new, renewal or additional franchises, we consider many factors, including your compliance with the requirements described in this Item 8, but your compliance with these requirements does not automatically give you the right to new, renewal or additional franchises.

We may establish strategic alliances or preferred vendor programs with suppliers that are willing to supply some products, equipment, or services to some or all of the Restaurants in our System. We and/or our affiliates may negotiate supply contracts with our suppliers under which we are able to purchase products, equipment, supplies, services and other items at a price that will benefit us and our franchisees. If we do establish those types of alliances or programs, we may limit the number of approved suppliers with whom you may deal, we may designate sources that you must use for some or all products, equipment and services, and we may refuse to approve proposals from franchisees to add new suppliers if we believe that approval would not be in the best interests of the System or the franchised network of Restaurants.

We and/or our affiliates may receive payments or other compensation from approved suppliers on account of the suppliers' dealings with us, you, or other Restaurants in the System, such as rebates and commissions, which may be a percentage or a flat amount. We may use any amounts that we receive from suppliers for any purpose that we determine is appropriate. For the fiscal year ended December 31, 2025, we received $141,107 in rebates from required purchases and leases which constituted 33% of our total revenue of $425,916.

We estimate that your required purchases from us or approved suppliers, or that must conform to our specifications, will represent approximately 75% to 80% of your total purchases in establishing the Restaurant, and approximately 70% to 80% of your total purchases in continuing operation of the Restaurant. The source for virtually all of your purchases of equipment or supplies may be restricted in some way.

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Restaurant) and other items we designate must bear the Marks in the form, color, location and manner we prescribe. In addition, all your advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements in the Manual or otherwise. You must obtain our approval before you use any new advertising and promotional materials and plans that we have not previously prepared or approved. Any advertising and promotional materials you submit to us for our review will become our property.

You must obtain our acceptance of the site for the Restaurant before you acquire the site. You must also obtain our acceptance of any contract of sale or lease for the Restaurant before you sign the contract or lease. We may require you and your landlord to sign a Collateral Assignment of Lease which permits us

to assume your lease in certain circumstances, including the termination or expiration of your Franchise Agreement (Exhibit J).

Your Restaurant must be constructed according to plans that we have approved. We will provide you with sample plans and specifications for an Early Bird Restaurant, and we reserve the right to designate the architect/designer that you must use. You must arrange for construction plans to be created that incorporate our requirements into the size and shape of the approved site for your Restaurant. You may not use the plans or begin building out your Restaurant until we have approved the construction plans, and any changes to the construction plans must also be approved by us before the change may be implemented. Our review is not meant to assess compliance with any applicable laws, regulations or building codes. Our review is only to verify that the construction plans accurately present our trade dress, the Marks and meet our specifications. We reserve the right to inspect your Restaurant while it is being constructed.

Before you open the Restaurant for business, you must obtain the insurance coverage for the Restaurant that is required by the terms of your lease and applicable law, and that we specify in the Manual or otherwise in writing. Your insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible, duly licensed carrier or carriers acceptable to us. All insurance must be on an "occurrence" basis.

All insurance policies, except for workers' compensation, shall name us, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds. Also, all insurance policies required hereunder shall expressly provide that not less than 30 days' prior written notice shall be given to us in the event of a material alteration to or cancellation of the policies. We have the right to require that you obtain from your insurance company a report of claims made and reserves set against your insurance. We reserve the right to change our insurance requirements during the term of your Franchise Agreement, including the types of coverage and the amounts of coverage, and you must comply with those changes. If you do not obtain any insurance as required, we have the right (but not the obligation) to purchase insurance on your behalf and you must reimburse our costs related to this purchase plus an administrative fee (see Item 6).

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/ lease	Franchise Agreement ("FA") – Section 2; Multi-Unit Operation Agreement ("MUOA") – Section 3	Items 8 and 11
b. Pre-opening purchases/leases	FA – Sections 6, 7 and 8	Items 5, 6, 7, 8 and 11
c. Site development and other pre-opening requirements	FA – Section 2	Items 1, 8 and 11
d. Initial and ongoing training	FA – Section 6	Items 5, 6 and 11
e. Opening	FA – Section 6	Items 5, 6 and 11

Obligation	Section in Agreement	Disclosure Document Item
f. Fees	FA – Sections 4 and 8 MUOA – Sections 2 and 3	Items 5, 6 and 7
g. Compliance with standards and policies/Manuals	FA – Sections 2, 3, 6, 8, 9, 10, 11,12, and 19	Items 6,11,14, and 17
h. Trademarks and proprietary information	FA – Sections 9 and 10 MUOA – Section 7; Confidentiality and Non-Competition Agreement ("Confidentiality Agreement")	Items 11, 13 and 14
i. Restrictions on products/services offered	FA – Section 7 MUOA – Section 7	Items 8 and 16
j. Warranty and customer service requirements	FA – Section 7	Item 8
k. Territorial development and sales quotas	MUOA – Section 3	Item 12
l. Ongoing product/service purchases	FA – Section 7	Items 6 and 8
m. Maintenance, appearance and remodeling requirements	FA – Sections 2, 7 and 14	Items 8 and 11
n. Insurance	FA – Section 12	Items 7 and 8
o. Advertising	FA – Section 8	Items 6, 8 and 11
p. Indemnification	FA – Section 15 MUOA – Section 14	Item 6
q. Owner's participation/ management/staffing	FA – Sections 6, 14, 15 and 19 MUOA – Section 7	Items 1, 11 and 15
r. Records and Reports	FA – Sections 4, 7 and 11	Item 6
s. Inspections and Audits	FA – Sections 2, 7 and 11 MUOA – Section 12	Items 6, 8 and 11
t. Transfer of Franchise	FA – Section 14 MUOA – Section 11	Items 6 and 17
u. Renewal	FA – Section 3 MUOA – Section 5	Items 6 and 17
v. Post-Termination Obligations	FA – Section 18 MUOA – Section 10	Items 6 and 17
w. Non-Competition Covenants	FA – Section 10 MUOA – Section 12; Confidentiality Agreement	Item 17
x. Dispute Resolution	FA – Section 19 MUOA – Section 19	Items 6 and 17

Obligation	Section in Agreement	Disclosure Document Item
y. Liquidated Damages	FA –Section 18	Item 6

ITEM 10
FINANCING

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your notes, leases or other obligations.

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

Except as listed below, Early Bird Corporate, LLC is not required to provide you with any assistance.

Pre-Opening Obligations

Multi-Unit Operator Agreement: Under the Multi-Unit Operator Agreement, we will provide you with the following assistance:

1. We will grant to you rights to a Development Area within which you will establish and operate an agreed-upon number of Restaurants under separate Franchise Agreements (Multi-Unit Operator Agreement – Section 1.1).

2. We will review the information regarding potential sites that you provide to us to determine whether the sites meet our standards and criteria for an Early Bird Restaurant and, if the site meets our criteria, accept the site for a Restaurant (Multi-Unit Operator Agreement – Section 8.1).

3. We will provide you with standard specifications and layouts for building and furnishing the Restaurant (Multi-Unit Operator Agreement – Section 8.2).

4. We will review your site plan and final build-out plans and specifications for conformity to our standards and specifications (Multi-Unit Operator Agreement – Section 8.3).

5. We will provide other resources and assistance as may be developed and offered to our Multi-Unit Operators (Multi-Unit Operator Agreement – Section 8.4).

Franchise Agreement: Before the opening of a Restaurant we will provide the following assistance and services:

1. Our written site selection guidelines and the site selection assistance we deem advisable. (Franchise Agreement, Section 5.1.) We will also designate your Territory (see Item 12).

2. We do not generally own the site and lease it to you.

3. If we deem it necessary, one on-site evaluation of the proposed site for your Restaurant. (Franchise Agreement, Section 5.2.)

4. Standard specifications and layouts for building and furnishing the Restaurant. You will

use these specifications to have site plans and build-out plans prepared. You pay for all site plans and build-out plans. (Franchise Agreement, Section 5.3.) We may require you to use an architect or designer we designate. We may also inspect your Restaurant during construction.

5. On loan, our Manual, which we may revise during the term of your Franchise Agreement. (Franchise Agreement, Sections 5.4 and 10.1.) We may provide all or a portion of the Manual to you electronically, such as via a password-protected website.

6. A list of approved products and suppliers. We may revise this list at any time during the term of your Franchise Agreement. (Franchise Agreement, Sections 5.9 and 7.4.)

7. An initial training program at our headquarters for up to four people. The initial franchise fee includes the cost of this training. (Franchise Agreement, Sections 5.10 and 6.5.)

8. A team of our representatives to provide up to two weeks of on-site pre-opening and opening assistance and training. You must pay us $25 per hour for each trainer, plus reasonable travel and living expenses, plus a $25 per day per diem for each trainer. (Franchise Agreement, Section 6.5.) If you are opening your second or later Restaurant, we may reduce the size of the opening assistance team and the duration of their visit.

Continuing Obligations

Multi-Unit Operator Agreement: During the operation of the Restaurant we will provide the following assistance and services:

1. For each potential site you provide to us, we will evaluate whether it meets our standards and criteria for an Early Bird Restaurant. If the site meets our criteria, we will accept the site for a Restaurant (Multi-Unit Operator Agreement – Section 8.1).

2. We will provide you with standard specifications and layouts for building and furnishing the Restaurants (Multi-Unit Operator Agreement – Section 8.2).

3. We will review your site plans and final build-out plans and specifications for conformity to our standards and specifications (Multi-Unit Operator Agreement – Section 8.3).

4. We will provide other resources and assistance as may be developed and offered to our Multi-Unit Operators (Multi-Unit Operator Agreement – Section 8.4).

Franchise Agreement: During the operation of a Restaurant we will provide the following assistance and services:

1. As we reasonably determine necessary, visits to and evaluations of the Restaurant and the products and services provided to make sure that our high standards of quality, appearance and service of the System are maintained. (Franchise Agreement, Sections 5.5 and 7.5.6.)

2. Marketing and promotional materials for in-store marketing and local marketing for the Restaurant at a reasonable cost to you. (Franchise Agreement, Section 5.6.)

3. Advice and written materials (including updates to the Manual) concerning techniques of managing and operating the Restaurant, including new developments and improvements in equipment, food

products, packaging and preparation. (Franchise Agreement, Section 5.7.)

4. Training programs and seminars and other related activities regarding the operation of the Restaurant as we may conduct for you or Restaurant personnel generally, which may be mandatory for your Operating Principal, General Manager and other Restaurant personnel. (Franchise Agreement, Section 6.5.)

5. At your request, additional on-site training or assistance at your Restaurant. You must pay our per diem fee for each trainer providing the training and you must reimburse our expenses. (Franchise Agreement, Section 6.5.)

6. We may advise you in writing, from time to time and where permitted by applicable law, concerning the maximum prices which you should charge your customers for menu items, products and services provided or sold under the System. Any such advice, if given at all, is binding on you and you must comply with our pricing guidelines. You must inform us of all prices charged for services and products sold by you and to inform us of any modifications of your prices. (Franchise Agreement, Section 7.15)

7. Administration of the brand development fund. (Franchise Agreement, Section 8.3.)

8. Indemnification against and reimbursement for all damages for which you are held liable in any proceeding arising out of your use of any of the Marks (including settlement amounts), if you and your Controlling Principals have fully complied with the terms of the Franchise Agreement. (Franchise Agreement, Section 9.4.)

9. Designate the maximum prices you may charge for certain menu items, as permitted by applicable law. (Franchise Agreement, Section 7.15.) You understand that by following our maximum pricing requirements we are not guaranteeing that you will achieve any specific level of sales or profitability.

Grand Opening Marketing: At least 90 days prior to the Restaurant opening, you must spend at least $10,000 for a grand opening marketing campaign, the content of which must be approved by us in our sole discretion. The grand opening marketing campaign must be conducted in the initial 60 days of operation. We may designate a different time period for the grand opening marketing. The grand opening marketing campaign may include giveaways of food samples and other promotions, as we require, and we must approve of your grand opening marketing campaign before it is conducted.

Brand Development Fund: We have established and administer a Brand Development Fund (the "**Brand Development Fund**") to advertise the System and the products offered by Early Bird Restaurants on a regional or national basis. The media coverage may be regional or national. You must contribute to the Brand Development Fund an amount equal to up to 1% of the Restaurant's Gross Sales each week, to be paid in the same manner as the Royalty Fee. During the last fiscal year ended December 31, 2025, the Brand Development Fund received contributions totaling $51,500, and we spent 34% on media production, 15% of media placement, 49% on administrative expenses, and 3% on other expenses.

The Brand Development Fund is maintained and administered by us or our designee as follows:

1. We direct all advertising programs and have sole discretion to approve the creative concepts, materials and media used in the programs and their placement and allocation. Marketing and promotional materials may be developed in-house by us or we may employ one or more advertising agencies to develop these materials. The Brand Development Fund is intended to maximize general public recognition and acceptance of the Marks and improve the collective success of all Restaurants operating under the System. We may use monies from the Brand Development Fund to support our website and to

conduct Social Media initiatives. Any Restaurants operated by us or our affiliates will contribute to the Brand Development Fund generally on the same basis as you. In administering the Brand Development Fund, neither we nor our designees are obligated to make expenditures for you that are equivalent or proportionate to your contribution, nor are we required to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising.

2. The Brand Development Fund may be used to satisfy the costs of maintaining, administering, directing and preparing advertising, including the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; employing advertising agencies; menu and product development; development and maintenance of our website; and costs of our personnel and other departmental costs for advertising that we administer or prepare internally. All sums you pay to the Brand Development Fund will be accounted for separately from our general funds. We may reimburse ourselves out of the Brand Development Fund for our reasonable administrative costs and expenses that we may incur in the administration or direction of the Brand Development Fund and advertising programs for you and the System. The Brand Development Fund and its earnings will not otherwise benefit us. The Brand Development Fund is operated solely as a conduit for collecting and expending the Brand Development Fees as outlined above. Any sums paid to the Brand Development Fund that are not spent in the year they are collected will be carried over to the following year. No portion of the Brand Development Fund will be used for advertising that is primarily a solicitation of franchise sales.

3. We will prepare a summary of the operations of the Brand Development Fund that will be made available to you if you request it. You may obtain a copy of this summary by requesting it in writing at the address shown on the cover page of this franchise disclosure document. We are not required to have the Brand Development Fund statements audited, or to provide you with a copy of any annual statement related to the Brand Development Fund.

4. Although the Brand Development Fund is intended to be perpetual, we may terminate the Brand Development Fund at any time. The Brand Development Fund will not be terminated until all monies in the Brand Development Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the Brand Development Fund, we have the option to reinstate it at any time and it will be operated as described above.

5. Money in the Brand Development Fund can be used to produce commercials and ad layout templates that you must adapt for your Restaurant and use in local marketing, at your expense. The Brand Development Fund may also develop new menus and table tents for use by all Early Bird Restaurants in the System, and we may designate that our approved supplier will automatically ship these items to you, at your expense, when they are to be used.

Local Marketing: You must conduct local marketing in your Territory. If your landlord requires you to participate in any marketing or promotion fund, the amounts you pay may be applied towards satisfying your local marketing obligations, if first approved in writing by us. You must spend up to 2% of Gross Sales each month on local marketing for your Restaurant; however, we reserve the right to require you to spend up to 5% of Gross Sales each month on local marketing for your Restaurant upon written notice to you. We may also require that some or all of your local marketing funds be paid directly to us. If we require this, we will work with our preferred marketing agency to advertise within your Territory on your behalf. Within 30 days of our request, you must provide us with proof of your local marketing expenditures, including verification copies of the advertisements. We have no obligation to spend any amount on advertising in your Territory.

We must approve all marketing materials before you use them. You must not advertise or use our

Marks in any fashion on the Internet, social media platforms, mobile applications, or via other means of digital or electronic communication without our prior written consent and compliance with our then-current digital marketing policies and guidelines.

Any marketing that you propose to use that has either not been prepared by us or has not been approved by us in the immediately preceding 12-month period must be submitted to us for our review not later than 10 business days prior to the date you intend to use them. If we do not provide our specific disapproval of the proposed materials within 10 business days of receipt, the proposed materials are deemed to be approved. Any materials you submit to us for our review will become our property, and there will be no restriction on our use or distribution of these materials.

We reserve the right to require you to include certain language in your local marketing, such as "Franchises Available" and our website address and phone number.

Cooperative Marketing: We may designate any geographic area in which two or more Restaurants are located as a region for purposes of establishing a marketing Cooperative, or we may approve of the formation of a Cooperative by our franchisees. The members of the Cooperative for any area will consist of all Restaurants, whether operated by us, our affiliates or our franchisees. We have the right to dissolve, merge or change the structure of the Cooperatives. Each Cooperative will be organized for the exclusive purposes of administering marketing programs and developing promotional materials for use by the members in local marketing, subject to our approval as described above. The members of each Cooperative will be responsible for administering it. If a Cooperative has been established for a geographic area where your Restaurant is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, you must become a member of the Cooperative. If the Cooperative will operate according to written documents, we must approve of these documents, and a copy of the Cooperative documents applicable to the geographic area in which your Restaurant will be located will be provided to you if you request it. You will not have to participate in more than one Cooperative. The vote of 51% of all cooperative members will be binding upon all members, provided proper notice of the meeting and proposed actions has been given at least 14 days in advance.

The payments you make to a Cooperative may be applied by you toward satisfaction of your local marketing requirement. If the amount you contribute to a Cooperative is less than your local marketing requirement, you must still spend the difference locally. By vote of the members, the members will determine the amount that each member must contribute to the Cooperative. We estimate that this contribution will be 1% - 3% of Gross Sales, but not more than 3%. All contributions to the Cooperative will be maintained and administered in accordance with the documents governing the Cooperative, if any. The Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining our approval. Currently there are no Cooperatives in the System. The Cooperative is not required to prepare an annual financial statement.

Website/Intranet: Websites (as defined below) are considered as "advertising" under the Franchise Agreement and are subject (among other things) to our review and prior written approval before they may be used (as described above). As used in the Franchise Agreement, the term "Website" means an interactive electronic document contained in a network of computers linked by communication software, that you operate or authorize others to operate and that refers to the Restaurant, Proprietary Marks, us, or the System. The term Website includes Internet and World Wide Web home pages.

In connection with any Website, the Franchise Agreement states that you may not establish a Website related to the Proprietary Marks or the System, nor may you offer, promote, or sell any products or services, or make any use of the Marks, through the Internet without our prior written approval. As a

condition to granting any consent, we will have the right to establish any requirement that we deem appropriate, including a requirement that your only presence on the Internet will be through one or more web pages that we establish on our Website.

We will have the right to establish a website or other electronic system providing private and secure communications (such as an intranet) between us, our franchisees, and other persons and entities that we decide are appropriate. If we require, you must establish and maintain access to the intranet in the manner we designate. Additionally, we may periodically prepare agreements and policies concerning the use of the intranet that you must acknowledge and/or sign.

You are not permitted to promote your Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, LinkedIn or Twitter, Instagram, FourSquare, without our prior written consent. We will control all Social Media initiatives. You must comply with our System standards regarding the use of Social Media in your Franchised Business's operation, including prohibitions on your and the Franchised Business's employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us ("Social Media" includes personal blogs, common social networks like Facebook, Foursquare, and professional networks like LinkedIn, live-blogging tools like Twitter, Instagram, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). If we provide you with access to branded Social Media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local Social Media on your behalf.

Advisory Council: We may, in our discretion, form an advisory council to work with us to improve the System, the products offered by Early Bird Restaurants, advertising conducted by the Brand Development Fund, and any other matters that we deem appropriate. If an advisory council is formed, it will act solely in an advisory capacity, and will not have decision making authority. We will have the right to form, change, merge or dissolve any advisory council.

If formed, an advisory council will be comprised of our representatives and franchisee representatives. The franchisee representatives may be chosen by us or elected by other franchisees in the System. If you participate on an advisory council, you will pay any expenses you incur related to your participation, such as travel and living expenses to attend council meetings.

Site Selection: You must assume all costs, liabilities, expenses and responsibility for locating, obtaining and developing a site for the Restaurant and for constructing and equipping the Restaurant at the accepted site. You will select the site for the Restaurant subject to our acceptance and using our site selection criteria. We are not obligated to provide assistance in locating a site or negotiating the purchase or lease of the site. Before you lease or purchase the site for the Restaurant, you must locate a site that satisfies our site selection guidelines. If we deem it necessary, we will conduct one on-site evaluation, but before we conduct the evaluation you must submit to us in the form we specify a description of the site, including evidence that the site satisfies our site selection guidelines, together with other information and materials that we may reasonably require, including a letter of intent or other evidence that confirms your favorable prospects for obtaining the site. We reserve the right to approve deviations from our site selection standards based on the individual factors and components of a particular site.

You must submit to us information and materials relating to the proposed site for our review no later than 120 days after you have signed the Franchise Agreement. We will have 30 days after we receive this information and materials from you to accept or decline the proposed site as the location for your Early Bird Restaurant. If we do not provide our specific acceptance of a proposed site, the site is deemed not accepted. We do not warrant or guarantee that your Restaurant will be successful at any site that we accept. Our acceptance only means that the site meets our minimum requirements for a Restaurant, subject to any

deviation from our standards as we may permit. If you fail to acquire an Accepted Location, we may terminate your Franchise Agreement.

We will provide you with our current written site selection guidelines and any other site selection counseling and assistance we think is advisable. Our criteria for site selection include: location of the site and its setting (free-standing building, shopping center, downtown location, etc.); other tenants in the building; availability of parking; visibility from main roads; availability, size and placement of signage; co-tenants in the shopping center or immediate area; accessibility to the site; condition of the premises and how much build-out or construction it will need; proximity to competitive businesses; and availability of utilities. We will use these and other factors in determining the suitability of your proposed site for an Early Bird Restaurant. Once the location for your Restaurant has been determined, your Restaurant may not be relocated without our prior written consent and payment of our relocation fee. Additionally, before opening the Franchised Business, and before any renovation to the Franchised Business, you must sign and deliver to us an ADA Certification (in the form that is attached as Exhibit Q) certifying to us that the Franchised Business and any proposed renovations comply with the ADA.

Opening: We estimate that the time from the Franchise Agreement is signed to the opening of the Restaurant will be approximately nine to twelve months. Your total timeframe may be shorter or longer depending on the time necessary to obtain an accepted site, to obtain financing, to obtain the permits and licenses for the construction and operation of the Restaurant, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Restaurant, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the Restaurant, including purchasing inventory and supplies. You must open the Restaurant and begin business within twelve months after signing the Franchise Agreement or nine months after you sign the lease for the accepted location, whichever occurs first. If you are not able to open your Restaurant within this period, we have the right to terminate your Franchise Agreement or, in our discretion, we may extend the period of time for you to open.

If you are a Multi-Unit Operator, you must sign your first Franchise Agreement at the same time you sign the Multi-Unit Operator Agreement. The typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant is the same as for an individual franchisee.

Remodeling and Redecorating: You must, upon our request, remodel and/or redecorate the Restaurant premises, equipment (including point of sale or computer hardware and software systems), signs, interior and exterior décor items, fixtures, furnishings, supplies and other products and materials required for the operation of the Restaurant to our then-current System-wide standards and specifications. We will not request such remodeling and/or redecorating more frequently than once every 5 years during the term of your Franchise Agreement.

Training: No later than 30 days before the date the Restaurant begins operation, you or your Operating Principal, General Manager, chef and line cook (a maximum of four trainees) must have completed, to our satisfaction, our initial training program. We will conduct this training at our corporate headquarters, at one of our affiliate's Restaurants in the Omaha, Nebraska area, or at another location we designate. Our initial training program lasts for approximately 8 weeks for you or your Operating Principal, your General Manager and your chef, and approximately 5 weeks for your line cook. Initial training programs will be offered at various times during the year depending on the number of new franchisees entering the System, replacement general managers and other personnel needing training, the number of new Restaurants being opened and the timing of the scheduled openings of Restaurants. It is anticipated that the initial training program will be offered five or six times a year.

We will provide instructors and training materials for up to four trainees at no additional charge beyond the initial franchise fee. You may also have additional personnel trained by us for the Restaurant, at your expense. We will determine whether your trainees have satisfactorily completed initial training. If you, your Operating Principal or the General Manager do not satisfactorily complete the initial training program, you must designate a replacement who satisfactorily completes the training before you may open your Restaurant. If the replacement Operating Principal or General Manager cannot complete the initial training program to our satisfaction, we have the right to terminate your Franchise Agreement.

Any manager subsequently designated by you must also receive and complete the initial training program to our satisfaction, even if this requires sending that manager to our headquarters training program, at your expense. We reserve the right to charge a reasonable fee for the initial training we provide to a replacement or successor employee if we have not approved you to provide the training. You must also pay for all expenses your managers and other personnel incur for any training program, including costs of travel, lodging, meals and applicable wages. We may approve you to train replacement managers using our training program. Before you may train your entire staff for a third or later Restaurant opening, you must receive our approval. You may not train any personnel until we have approved you as a trainer.

For the opening of the Restaurant, we will provide you with a team of trained representatives. The trained representatives will provide on-site pre-opening and opening training, supervision, and assistance to you for up to 2 weeks around your Restaurant opening. You must pay us an hourly rate of $25 per trainer, plus reasonable travel and living expenses, plus a $25 per day per diem for each trainer who provides opening assistance. If you are opening your second (or later) Restaurant, we reserve the right to reduce the opening assistance provided, including the number of team members providing the assistance and the duration of their visit, but not less than 2 representatives.

If, during the term of your Franchise Agreement, you request that we provide additional training or assistance on-site at your Restaurant, you must pay our then-current per diem fee for each trainer we provide, and you must reimburse us for any expenses our trainers incur, such as costs of travel, lodging, and meals.

The instructional materials used in the initial training include our Operations Manual, marketing and promotion materials, materials related to the operation of the point of sale system, and any other materials that we believe will be beneficial to our franchisees in the training process.

The training schedule and activities of the initial training program are described below:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Early Bird Flock Culture	4	20	Early Bird approved Corporate location or a certified Franchise location
Employee culture and staffing	4	10	Early Bird approved Corporate location or a certified Franchise location

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Store opening planning	4	10	Early Bird approved Corporate location or a certified Franchise location
Product quality/control	6	15	Early Bird approved Corporate location or a certified Franchise location
Food safety/ food handling safety	8	20	Early Bird approved Corporate location or a certified Franchise location
Management duties including opening, closing, employee injury, running the store and EOD, EOW and EOM tasks	8	30	Early Bird approved Corporate location or a certified Franchise location
Employee safety	4	8	Early Bird approved Corporate location or a certified Franchise location
Local marketing	2	6	Early Bird approved Corporate location or a certified Franchise location
Repair and maintenance including kitchen equipment safety and manufacture suggested cleaning, & operation	2	8	Early Bird approved Corporate location or a certified Franchise location
POS training and operation	2	6	Early Bird approved Corporate location or a certified Franchise location
Payroll/accounting/P&L/inventory	4	10	Early Bird approved Corporate location or a certified Franchise location
Cooking/prep/food procedures	8	32	Early Bird approved Corporate location or a certified Franchise location
Server/bar training	4	10	Early Bird approved Corporate location or a certified Franchise location
Host/Bussing/dishwashing	2	10	Early Bird approved Corporate location or a certified Franchise location
Total	62	195	

Training will be conducted by Julia Lapke and Tim Emerson. Julia Lapke is our Director of Franchise Operations and has 10 years experience with us and our affiliates. Tim Emerson is our Assistant Director of Franchise Operations and has 10 years experience with us and our affiliates. The instructors primarily conducting our initial training program will include General Managers, Area Managers, the Food and Beverage Director, and a meeting with the Vice President will be arranged. Each of our instructors has at least 5 years of relevant experience to the subjects they are teaching and one year of experience with us.

The entire training program is subject to change due to updates in materials, methods, manuals and personnel without notice to you. The subjects and time periods allocated to the subjects actually taught to a specific franchisee and its personnel may vary based on the individual needs and/or experience of those persons being trained.

We may choose to hold an annual meeting of our franchisees to provide additional training, introduce new products or changes to the System, or for other reasons. We may designate that attendance at an annual meeting is mandatory for you, your General Manager and/or other Restaurant personnel. We do not anticipate charging a fee to attend the meeting, but you will pay for all of the expenses incurred by your attendees at the meeting, including travel, lodging, meals and wages. We will designate the location of any franchisee meeting, such as a resort hotel, but we will not designate an unreasonably expensive site. We anticipate that attendance at a franchisee meeting will not last longer than three days in any calendar year.

We may also choose to hold refresher training courses, and we may designate that attendance at refresher training is mandatory for you, your Operating Principal, General Manager and/or other Restaurant personnel. We do not anticipate charging a fee for refresher training, but you will pay for all of the expenses incurred by your trainees, including travel, lodging, meals and wages. We anticipate that any refresher or additional training will not last longer than five days in any calendar year.

In addition to our initial training program, you, your managers and any other personnel we designate must be ServSafe and alcohol awareness/TIPS certified or other similar certifications. The cost of these certifications is not included in the initial franchise fee and we do not provide these certifications. You may need to receive periodic additional training and/or certification.

Confidential Operations Manual: The Table of Contents for our Manual is attached to this Disclosure Document as Exhibit F. Our Manual contains approximately 189 pages.

Computer and Point of Sale Systems: You must purchase or lease and use certain point of sale systems, computer hardware and software that meet our specifications and that are capable of electronically interfacing with our computer system. The computer system will provide sales tracking information, inventory management, business reports, labor and scheduling management, order processing and credit card processing.

A standard point of sale system configuration is as follows, although your system may vary: one POS device with customer display in the front; two POS devices with display interfaces in server areas for servers to enter orders; two displays in the kitchen for kitchen staff to view orders; two mini-printers in the kitchen that will print out orders; one back-office computer with monitor and printer; one hub/router/modem; one uninterrupted power supply; one cash drawer in the front; integrated credit and debit card processing with POS devices in front and at server stations; integrated inventory management and cash management.

The computer system is designed to enable us to have immediate access to the information

monitored by the system, and there is no contractual limitation on our access or use of the information we obtain. You must install and maintain equipment and a high-speed telecommunication line (such as T-1, DSL or cable modem) in accordance with our specifications to permit us to access the computer system (or other computer hardware and software) either electronically or at the Restaurant premises. This will permit us to electronically inspect and monitor information concerning your Restaurant's Gross Sales and any other information that may be contained or stored in the equipment and software. You must make sure that we have access at the times and in the manner we specify, at your cost.

We may designate an approved supplier for the point of sale system, and if we do so then you will be required to purchase the system from that supplier. We expect that the point of sale system will cost approximately $10,000 to $40,000. You must purchase a maintenance contract for your point of sale system, which we anticipate will cost approximately $6,000 to $18,000 annually. You must obtain any upgrades and/or updates to the software used with the point of sale system, at your expense. The Franchise Agreement does not limit our ability to require you to update and/or upgrade your point of sale system or the cost of any update and/or upgrade. Neither we nor any affiliate of ours is responsible for providing you with any upgrades, updates or maintenance for your point of sale system.

You must obtain and maintain Internet access or other means of electronic communication, as specified by us. It will be a material default under the Franchise Agreement if you do not maintain the equipment, lines and communication methods in operation and accessible to us at all times throughout the term of the Franchise Agreement. We must have access at all times and in the manner that we specify.

Professional Bookkeeping Software and Services: You must use a professional bookkeeping service and software that meet our specifications. We may require you to use an approved supplier for this software and service. It will be a material default under the Franchise Agreement if you do not use a professional bookkeeping service and software that meets our specifications throughout the term of the Franchise Agreement.

ITEM 12
TERRITORY

You will not receive an exclusive territory under our single unit Franchise Agreement or under our Multi-Unit Operator Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Franchise Agreement: Your Franchise Agreement will specify the site that will be the Approved Location for your Restaurant. Your Franchise Agreement will also specify a Territory within which we will not approve another outlet as long as you are in compliance with your Franchise Agreement. The size and scope of the Territory will be contained in the Franchise Agreement. The sources we use to obtain population data include the U.S. Census Bureau. Your rights to the Territory are subject to the limitations described below in this item 12.

If you are unable to continue the operation of the Restaurant at the Accepted Location because of the occurrence of an extraordinary event, then you may request our approval to relocate the Restaurant to another location. Any relocation is subject to our prior approval. If we elect to grant you the right to relocate the Restaurant, then you shall comply with our then-current site selection and construction procedures and pay to us a relocation fee in an amount equal to 30% of our then-current initial franchise fee.

We do not grant you any rights to obtain additional locations except under our Multi-Unit Operator Agreement.

Beginning in your 13th month of operation, you must achieve or exceed at least $1,500,000 in annual Gross Sales measured on a rolling 12-month basis. If you fail to achieve the minimum sales requirement specified above for any consecutive 12-month period, you will be in default under the Franchise Agreement. We may then terminate this Agreement by providing you with written notice and a 30-day opportunity to cure. During this cure period, you may submit a written remedial business plan for our review and approval. We will review your plan in good faith, but we are not required to approve it.

Nothing in the Franchise Agreement will prohibit us from: (1) operating and/or franchising others to operate restaurants identified in whole or in part by the Proprietary Marks and/or utilizing the System in the Territory that are located in gas stations or convenience stores; transportation facilities, including airports, train stations, subways and rail and bus stations; military bases and government offices; sports facilities, including stadiums and arenas; amusement parks, zoos and convention centers; car and truck rest stops and travel centers; educational facilities; recreational theme parks; hospitals; hotels; business or industrial foodservice venues; venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider; Indian reservations; casinos; or any similar captive market location not reasonably available to you (a "Non-Traditional Site"); (2) awarding national, regional or local licenses to third parties to sell products under the Proprietary Marks in foodservice facilities primarily identified by the third party's trademark; (3) merchandising and distributing products identified by the Proprietary Marks in the Territory through any method or channel of distribution other than through the operation of a restaurant or delivery services; (4) selling and distributing products identified by the Proprietary Marks in the Territory to restaurants other than restaurants identified by the Proprietary Marks, regardless of whether the restaurants are licensed to use the Proprietary Marks in connection with their retail sales or not; (5) selling products and services through other channels of distribution, including the Internet, wholesale, mail order and catalog; (6) developing and/or owning other franchise systems for the same or similar products and services using trade names and trademarks other than the Proprietary Marks; and (7) purchasing, being purchased by, merging or combining with businesses that we deem to offer direct competition to Early Bird Restaurants. We are not required to pay you any consideration if we exercise any right specified above.

If any Non Traditional Site (as described above) is located within the physical boundaries of your Territory, then the premises of this Non Traditional Site will not be included in your Territory and you will have no rights to this Non Traditional Site.

We and our affiliates are not prohibited from: (1) operating and franchising others to operate, during the term of the Franchise Agreement, Early Bird Restaurants at any location outside of the Territory; (2) operating and franchising others to operate, after the Franchise Agreement terminates or expires, Early Bird Restaurants at any location, including locations inside the Territory; and (3) operating and franchising others to operate at any location, during or after the term of the Franchise Agreement, any type of restaurant other than an Early Bird.

The restrictions above do not apply to Early Bird Restaurants in operation, under lease or construction or other commitment to open in the Territory as of the effective date of the Franchise Agreement.

Except as expressly limited above, we and our affiliates have the right to conduct any business activities, under any name, in any geographic area and at any location, regardless of the proximity to the Franchised Restaurant or the economic effect on the Franchised Restaurant or activities under the Franchise Agreement.

You may sell our menu items to customers who live anywhere, provided they choose to dine at or order from your Restaurant. You may not engage in any promotional activities or sell the 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. While you may place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located within your Territory, and you will not be deemed to be in violation of the Franchise Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective customers outside of your Territory, you may not make any sales or deliver any products to customers located outside of your Territory, unless the customer is located in an area where there is not another Early Bird Restaurant in operation. You may not directly solicit customers outside of your Territory. You have no options, rights of first refusal, or similar rights to acquire additional franchises. You are prohibited from selling our proprietary products or any other products to any business or other customer at wholesale prices.

We and our affiliates may sell products under the Marks within and outside your Territory through any method of distribution other than an Early Bird Restaurant, including sales through channels of distribution such as the Internet, catalog sales, grocery stores, club stores, telemarketing or other direct marketing sales (together, "Alternative Distribution Channels"). You may not use Alternative Distribution Channels to make sales outside or inside your Territory and you will not receive any compensation for our sales through Alternative Distribution Channels.

We or our affiliates will fulfill all orders placed through the retail portion of our Website, and you will not be entitled to any portion of the profits received from this, even if the customer's order is generated from or delivered in your Territory.

We have not yet established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark. We describe earlier in this Item 12 what we may do anywhere and at any time.

Neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned Restaurant 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.

Multi-Unit Operator Agreement: Under the Multi-Unit Operator Agreement we grant you the right to develop and operate the number of Early Bird Restaurants in the Development Area that is specified in the Minimum Performance Schedule, which is an exhibit to the Multi-Unit Operator Agreement. The Development Area is typically described in terms of municipal or county boundaries but may be defined as a specified trade area in a municipality. The actual size of the Development Area will vary depending upon the number of Restaurants you commit to develop, the availability of contiguous markets, our long-range development plans, your financial and operational resources, population and market conditions. We will not base your Development Area on a minimum population. Our designation of a particular Development Area is not an assurance or warranty that there are a sufficient number of suitable sites for Restaurants in the Development Area for you to meet your Minimum Performance Schedule. The responsibility to locate and prepare a sufficient number of suitable sites is solely yours and we have no obligation to approve sites which do not meet our criteria for you to meet the Minimum Performance Schedule.

Except as described below, during the term of the Multi-Unit Operator Agreement, we and our affiliates will not operate or grant a franchise for the operation of Restaurants to be located within the Development Area. However, we have the right to terminate this exclusivity if you are not in full compliance with all of the terms and conditions of the Multi-Unit Operator Agreement and all of the

Franchise Agreements signed under it. Your territorial rights to the Development Area may or may not, in our discretion, include the right to develop Restaurants at any Non-Traditional Site.

Except as expressly limited by the Multi-Unit Operator Agreement, we and our affiliates retain all rights with respect to Restaurants, the Marks, and any products and services anywhere in the world including the right: (a) to produce, offer and sell and to grant others the right to produce, offer and sell the Proprietary Products, other products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through Alternative Distribution Channels, as described above, both within and outside your Development Area, and under any terms and conditions we deem appropriate; (b) to operate and to grant others the right to operate Restaurants located outside the Development Area under any terms and conditions we deem appropriate and regardless of proximity to your Restaurants; (c) to operate and to grant others the right to operate Restaurants at Non-Traditional Sites within and outside the Development Area under any terms and conditions we deem appropriate (if a Non-Traditional Site becomes available within the Development Area during the term of the Multi-Unit Operator Agreement, we may, in our sole discretion, offer you the opportunity to develop a Restaurant at the Non-Traditional Site; you will have 30 days after we notify you that the site is available to accept this right of first refusal); and (d) the right to acquire and operate a business operating one or more restaurants or food service businesses that are not operating under the Marks and are located or operating in your Development Area.

After the final Restaurant under your Minimum Performance Schedule has opened, if we believe that it is desirable to establish additional Restaurants within the Development Area, and if you complied with the terms of your Multi-Unit Operator Agreement and are in compliance with your Franchise Agreements, we will offer you the right to develop these additional Restaurants. You must exercise this option, in full, within 60 days after our notice to you. If you do not exercise or you decline this right of first refusal, we shall have the right to sell these development rights to another multi-unit operator or to develop the Restaurants ourselves.

To maintain your rights under the Multi-Unit Operator Agreement you must have open and in operation the cumulative number of Restaurants stated on the Minimum Performance Schedule by the dates agreed upon in the Minimum Performance Schedule. Failure to do so will be grounds for either a loss of territorial rights or a termination of the Multi-Unit Operator Agreement.

In addition, upon the earlier of the termination or the expiration of the term of the Multi-Unit Operator Agreement, which is when the last Restaurant to be developed within the Development Area opens for business, your rights under the Multi-Unit Operator Agreement with respect to the Development Area will terminate and we and our affiliates will have the right to operate and to grant to others development rights and franchises to develop and operate Restaurants within the Development Area. This right will be subject only to the territorial rights under your franchise agreements for Restaurants in the Development Area and the right of first refusal described above. The Development Area may not be altered unless we and you mutually agree to do so. It will not be affected by your sales volume. You are not granted any other option, right of first refusal or similar right to acquire additional Restaurants in your Development Area under the Multi-Unit Operator Agreement, except as described above.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you the right to use certain trademarks, trade names, service marks, symbols, emblems, logos and indicia of origin designated by us. These Marks may be used only in the manner we authorize and only for the operation of your Franchised Business. The Multi-Unit Operator Agreement does not grant to you any right to use the Marks.

You are not permitted to use the Marks as a part of your corporate or other legal name, unless explicitly authorized by us in writing, and you must comply with our instructions in filing and maintaining trade name or fictitious name registrations. You must sign any documents we require to protect the Marks or to maintain their continued validity and enforceability. In addition, you may not directly or indirectly contest the validity of our ownership of or our rights in and to the Marks.

We have applied for the following principal Marks with the U.S. Patent and Trademark Office ("**USPTO**") on the Principal Register:

Mark	Serial/ Registration Number	Filing/Registration Date	Register
EARLY BIRD	Serial No.: 98241977	Filed: October 26, 2023	Principal
NOT YOUR EVERYDAY BRUNCH, EVERY DAY	Reg. No.: 7521966	Registered: October 1, 2024	Principal
BRUNCH IN A BOX	Reg. No.: 7658126	Registered: January 21, 2025	Principal
	Reg. No.: 7521965	Registered: October 1, 2024	Principal

We do not have a federal registration for our principal trademark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board or the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation involving the Marks. All required affidavits and renewals have been filed. There are no agreements currently in effect which significantly limit our right to use or to license others to use the Marks that could materially affect your use of the trademarks.

You must adhere to our guidelines when using the Marks. You are prohibited from using any Mark (1) as part of your corporate or legal business name; (2) in conjunction with any prefix, suffix or other modifying words, terms, designs, or symbols (except for those we license to you); (3) in selling any services or products not authorized by us; (4) as part of any domain name, electronic address, or search engine you maintain on any website; (5) in any manner not expressly authorized by us in writing; or (6) in a way that may harm or cause damage to us, our affiliates, the Marks, the System, or our principals. You may not make any disparaging remarks related to us, our affiliates, our franchisees, the Marks, the System or our principals.

You must promptly notify us of any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We may defend you against

any third-party claim, suit or demand arising out of your use of the Marks. If we, in our sole discretion, determine that you have used the Marks in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by us. If we determine that you have not used the Marks in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be yours. If there is any litigation relating to your use of the Marks, you must sign any and all documents and do any acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action. Except if this litigation is the result of your use of the Marks in a manner inconsistent with the terms of your Agreement, we will reimburse you for your out-of-pocket costs in doing these acts.

There are no superior prior rights or infringing uses actually known to us that could materially affect your use of the Marks in your state or elsewhere.

We reserve the right, at our sole discretion, to substitute different Marks for use in identifying the System and the businesses operating under it. We are not obligated to reimburse you for any costs you incur as a result of such change or substitution, including but not limited to the cost of changing stationery or signage, and we shall not be liable to you for any consequences arising from such change or substitution.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights: We do not have an ownership interest in any patents or registered copyrights that are material to the franchise.

Confidential Manuals: You must operate the Restaurant in accordance with the standards and procedures specified in the Manual. One copy of the Manual will be loaned to you by us for the term of the Franchise Agreement. We may, instead of providing you with a hard copy of the Manual, make our Manual available electronically via a password protected intranet.

You must treat the Manual and any other manuals we create or approve for use in your operation of the Restaurant, and the information contained in them, as confidential. You must also use all reasonable efforts to maintain this information as secret and confidential and you must not duplicate, copy, record or otherwise reproduce these materials, in whole or in part, or make them available to any unauthorized person. The Manual remains our sole property and must be kept in a secure place on the Restaurant premises.

We may revise the contents of the Manual and you must comply with each new or changed standard. You must also ensure that the Manual is kept current at all times. If there is a dispute regarding the contents of the Manual, the terms of the master copy maintained by us at our home office will be controlling.

Confidential Information: We claim proprietary rights in certain of our recipes which are included in the Manual and which are our trade secrets. Any and all information, knowledge, know-how and techniques related to the System that we communicate to you, including the Manual, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, recipes, and the terms of your agreement with us, are considered confidential. You and each of your Controlling Principals are prohibited, during and after the term of your Agreement, from communicating, or using for the benefit of any other person or entity, and, after the term of your Agreement, from using for your or their own benefit, any confidential information, knowledge or know-how concerning the methods of operation of the Restaurant that may be communicated to you or any of your Controlling Principals or that you may learn about. You and each of your Controlling Principals may divulge this confidential information only to your employees who must have access to it to operate the Restaurant.

Neither you nor your Controlling Principals are permitted at any time, without first obtaining our written consent, to copy, record or otherwise reproduce the materials or information nor make them available to any unauthorized person.

If we ask, you must have your Operating Principal, General Manager and any of your personnel who have received or will have access to confidential information sign similar confidentiality covenants. Your Principals also must sign these covenants.

If you, your Controlling Principals, General Manager or employees develop any new concept, process or improvement in the operation or promotion of the Restaurant, you must promptly notify us and give us all necessary information, free of charge. You, your Controlling Principals, General Manager and employees must acknowledge that any of these concepts, processes or improvements will become our property and we may give the information to other franchisees.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

When you sign your agreement, you must designate and retain at all times an individual to serve as the "General Manager." If you are an individual, we recommend that you be the General Manager. We expect that you will be actively involved in the daily operation of your Restaurant. If you are not actively involved in the daily operation of your Restaurant, then (a) you must designate one of your Principals who owns at least a 10% interest in the franchise to act as your Operating Principal, who may also be your General Manager; (b) we may communicate with and rely on the decisions made by your Operating Principal; and (c) you must still make sure that your Restaurant is being operated according to the terms of your Franchise Agreement and the Manual. You must also retain other personnel as are needed to operate and manage the Restaurant.

In addition to our requirement that your Operating Principal own at least a 10% interest in the franchise, your Operating Principal must also be approved by us in advance and must complete, to our satisfaction, all required initial training for franchisees. If your Operating Principal cannot serve in the position or does not meet the requirements, he or she must be replaced within 30 days after the Operating Principal stops serving or no longer meets the requirements.

The General Manager must satisfy our educational and business criteria as provided to you in the Manual or other written instructions, must be individually acceptable to us, and must be approved by us to act as a General Manager. The General Manager must be responsible for the supervision and management of the Restaurant and must devote full time and best efforts to this activity. The General Manager also must satisfy the applicable training requirements in the Franchise Agreement to our satisfaction. If the General Manager cannot serve in the position or does not meet the requirements, he or she must be replaced within 60 days after the General Manager stops serving or no longer meets the requirements.

If you employ any individual as General Manager or in a managerial position who is at the time employed in a managerial position by us or any of our affiliates, or by another of our franchisees, you must pay the former employer for the reasonable costs and expenses the employer incurred for the training of the employee, such as our training fee.

You must also obtain covenants not to compete, including covenants applicable on the termination of the person's relationship with you, from your Operating Principal, General Manager, and any of your other personnel who have received or will have access to our training before employment, and any holder of a beneficial interest in you (except for any limited partners). You must have all of your management

personnel sign covenants that they will maintain the confidentiality of information they receive or have access to base on their relationship with you. Our current form of Confidentiality Agreement is included as Exhibit M. We reserve the right, in our discretion, to decrease the period of time or geographic scope of the non-competition covenants contained in the attachments or eliminate the non-competition covenants altogether for any party that must sign an agreement as described in this paragraph. We will be a third-party beneficiary to each of these agreements with the independent right to enforce each agreement's terms.

As described in Item 1, we have identified certain persons under the Franchise Agreement and Multi-Unit Operator Agreement that we refer to in this Disclosure Document as your Principals. Your Principals include your spouse, if you are a married individual, your Principals also include those of your business entity's officers and directors (including the officers and directors of your general partner, if applicable) whom we designate as your Principals and all holders of an ownership interest in you and in any entity that directly or indirectly controls you, and any other person or entity controlling, controlled by, or under common control with you.

If we designate certain of your Principals as Controlling Principals, they must sign the Franchise Agreement and Multi-Unit Operator Agreement, as applicable, and agree to be individually bound by certain obligations under the Agreements, including confidentiality and non-competition covenants and they must personally guarantee your performance under the Agreements. We typically designate your principal equity owners (including your Operating Principal) and executive officers, as well as any other affiliated entities that operate Restaurants, as Controlling Principals.

You must also designate an Operating Principal for your Restaurant who must have at least a 10% ownership interest in you and/or the franchise. Your Operating Principal will be our primary point of contact for matters related to your Restaurant, and we will rely on your Operating Principal to make decisions affecting your Restaurant. Your Operating Principal must sign covenants to maintain the confidentiality of information he/she learns, as well as non-competition covenants.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale all menu items, food products, merchandise, and other products and services we require, in the manner and style we require, including dine-in and carry-out, as expressly authorized by us in writing. You must sell and offer for sale only the menu items, products and services that we have expressly approved in writing. You must not deviate from our standards and specifications without first obtaining our written consent. You must discontinue selling and offering for sale any menu items, products or services that we may disapprove in writing at any time. We have the right to change the types of menu items, products and services offered by you at the Restaurant at any time, and there are no limits on our right to make those changes.

You must maintain adequate inventory and use and sell only food, beverages, ingredients, proprietary products, merchandise, materials, supplies, and paper goods that meet our standards and specifications. You must prepare all menu items according to our recipes and preparation procedures in the Manual or other written instructions, including ingredient measurements. You may not deviate from our standards and specifications by using or offering nonconforming items or different amounts without first obtaining our written consent.

We may vary menu items at certain Early Bird Restaurants based on regional or local tastes or ingredients. If we allow another Early Bird Restaurant to modify its menu to accommodate regional or local preferences, we are not required to grant you a similar modification.

You must keep the Restaurant clean and maintain it in good repair and condition. You must make additions, alterations, repairs, and replacements, including repainting or replacing obsolete signs, furnishings, equipment, and décor as we reasonably direct. You may not make any changes to the premises without first obtaining our written consent. You must obtain and pay for any new or additional equipment, including point-of-sale systems, computer hardware and software, fixtures, supplies, and other products and materials required to offer and sell new menu items from the Restaurant.

We may provide suggested prices for goods, products, and services offered from your Restaurant where permitted by law. While we may require minimum prices to protect brand value, any maximum price requirements are recommendations only unless specifically permitted by law. We make no guarantee that offering products or merchandise at any required price will increase your sales or profits.

We do not impose any other restrictions in the Franchise Agreement or otherwise, as to the goods or services that you may offer or sell or as to the customers to whom you may offer or sell, except as described in Item 12. You may not directly solicit customers outside of your Territory.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise Agreement	Summary
a. Length of the term of the franchise	Section 3.1	Term continues for 10 years from the date of the Franchise Agreement unless terminated earlier
b. Renewal or extension of the term	Section 3.2	Up to two additional terms of five years each
c. Requirements for franchisee to renew or extend	Section 3.2	You must provide us with notice that you wish to renew, be in compliance with the terms of your Franchise Agreement, be current in all payments required by the Franchise Agreement, remodel and/or refurbish your Restaurant if we require, sign renewal Franchise Agreement, sign general release, pay renewal fee You may be asked to sign a contract with materially different terms and conditions than your original contract, but the boundaries of your territory will remain the same, and the fees on renewal will not be greater than the fees that we then impose on similarly situated renewing franchisees
d. Termination by franchisee	Not applicable	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with "cause"	Section 17.1.1	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination.

Provision	Section in Franchise Agreement	Summary
g. "Cause" defined – curable defaults	Sections 17.1.3 and 17.2	We may terminate you for cause if you fail to cure certain defaults, including: if you or any of your affiliates fail to pay any monies owed to us, or our affiliates or vendors, and do not cure within five days after notice (or longer period required), fail to obtain signed copies of the confidentiality and non-competition covenants contained in the Franchise Agreement within five days after a request, fail to obtain and maintain required insurance within seven days after notice, use the Marks in an unauthorized manner and fail to cure within 24 hours after notice, fail to cure any other default that is susceptible of cure within 30 days after notice
h. "Cause" defined – defaults which cannot be cured	Sections 17.1.2 and 17.1.3	We may terminate you for cause if you fail to cure certain defaults, including: if you become insolvent, make a general assignment for benefit of creditors, file a petition or have a petition initiated against you under federal bankruptcy laws, have outstanding judgments against you for over 30 days, sell unauthorized products or services, fail to find an accepted location within time required, fail to remodel when required, fail to open Restaurant when required, fail to comply with any term and condition of any sublease or related agreement and have not cured the default within the given cure period, abandon or lose right to the Restaurant premises, are convicted of a felony or other crime that may have an adverse effect on the System or Marks, transfer any interest without our consent or maintain false books or records. In addition, a default under one agreement with us may result in a termination of all of your other agreements with us. This is known as a cross-default provision.

Provision	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination/non-renewal	Sections 3.6 and 18	Obligations include: You must stop operating the Restaurant and using the Marks and System and completely de-identify the business, pay all amounts due to us or our affiliates, return the Manual and all other proprietary materials, comply with confidentiality requirements, pay liquidated damages (if terminated), and at our option, sell or assign to us your rights in the Restaurant premises and the equipment and fixtures used in the business.
j. Assignment of contract by Franchisor	Section 14.1	We have the right to transfer or assign the Franchise Agreement to any person or entity without restriction. However, no assignment will be made except to an assignee who, in our good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.
k. "Transfer" by franchisee – defined	Section 14.2.1	Includes sale, assignment, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Restaurant or you (if you are not a natural person)
l. Franchisor approval of transfer by franchisee	Section 14.2.2	You must obtain our consent before transferring any interest. We will not unreasonably withhold our consent
m. Conditions for franchisor approval of transfer	Section 14.2.2	Conditions include: You must pay all amounts due us or our affiliates, not otherwise be in default, sign a general release, and pay a transfer fee. The transferee must meet our criteria, complete training to our satisfaction, and sign the current Franchise Agreement
n. Franchisor's right of first refusal to acquire franchisee's business	Section 14.4	Within 30 days after notice, we have the option to purchase the transferred interest on the same terms and conditions
o. Franchisor's option to purchase franchisee's business	Section 18.11	Upon termination or expiration of the Franchise Agreement, we have the right to purchase certain assets of the Restaurant

Provision	Section in Franchise Agreement	Summary
p. Death or disability of franchisee	Section 14.5	If you or a Controlling Principal are a natural person, on death or permanent disability, distributee must be approved by us, or franchise must be transfer to someone approved by us within 12 months after death or within six months after notice of permanent disability
q. Non-competition covenants during the term of the franchise	Section 10.3.1	You are prohibited from operating or having an interest in a similar business without our prior written consent
r. Non-competition covenants after the franchise is terminated or expires	Section 10.3.2	You and your Controlling Principals are prohibited for two years from expiration or termination of the franchise from operating or having an interest in a similar business within 20 miles of any Restaurant in the System
s. Modification of the agreement	Sections 10.1.5 and 19.2	The Franchise Agreement may not be modified unless mutually agreed to in writing. You must comply with Manual, which is subject to change. You will be solely responsible for any costs associated with such change.
t. Integration/merger clause	Section 19.2	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state law.) Any representations or promises outside the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Sections 19.7, 19.8, 19.9, 19.10 and 19.11	Arbitration in Nebraska, subject to applicable state and federal law
v. Choice of forum	Section 19.8	Douglas County, Nebraska, subject to applicable state and federal law
w. Choice of Law	Section 19.8	Nebraska, subject to applicable state and federal law

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THE MULTI-UNIT OPERATOR RELATIONSHIP

Provision	Section in Multi-Unit Operator Agreement	Summary
a. Length of the franchise term	Section 6	Length of the Minimum Performance Schedule
b. Renewal or extension of the term	Section 5	After all Restaurants have been developed, we will negotiate in good faith another Multi-Unit Operator Agreement
c. Requirements for multi-unit operator to renew or extend	Not applicable	Not applicable
d. Termination by multi-unit operator	Not applicable	The 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	Section 9	We can terminate if you commit any one of several listed violations
g. "Cause" defined – curable defaults	Section 9	If you use the Marks or System without our consent; participating in a competing business; failure to pay money to us when due; you begin developing a Restaurant before all of your pre-development obligations are met; failure to obtain our consent when required; you open any Restaurant before a Franchise Agreement for that Restaurant has been signed
h. "Cause" defined – non-curable defaults	Section 9	Failure to meet your minimum performance schedule; failure to comply with applicable laws; if all of your Restaurants stop operating; unauthorized transfer; you make a material misrepresentation to us; conviction by you or your owners of an indictable offense; bankruptcy or insolvency; if a Franchise Agreement with us is terminated according to its terms (this is a cross-default provision)
i. Multi-unit operator's obligations on termination/ non-renewal	Section 10	You must stop selecting sites for Restaurants, and you may not open any more Restaurants

Provision		Section in Multi-Unit Operator Agreement	Summary
j.	Assignment of contract by franchisor	Section 11	No restriction on our right to assign. However, no assignment will be made except to an assignee who, in our good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Multi-Unit Operator Agreement.
k.	"Transfer" by multi-unit operator – defined	Section 11	Includes transfer of any interest in the Multi-Unit Operator Agreement
l.	Franchisor approval of transfer by multi-unit operator	Section 11	We have the right to approve all transfers, our consent not to be unreasonably withheld
m.	Conditions for franchisor approval of transfer	Section 11	Conditions for transfer include not being in default, at least 25% of all Restaurants required to be developed are open or under construction, all debts are paid, the buyer meets our current criteria for new Multi-Unit Operators, execution of a general release (where legal), payment of transfer fee, buyer personally guarantees all obligations
n.	Franchisor's right of first refusal to acquire multi-unit operator's business	Section 11	We have the right to match the offer
o.	Franchisor's option to purchase multi-unit operator's business	Not applicable	Not applicable
p.	Death or disability of multi-unit operator	Section 11	In the event of death or disability of the multi-unit operator, the interest must be transferred to a party approved by us within 12 months.
q.	Non-competition covenants during the term of the franchise	Section 12	You are prohibited from operating or having an interest in a similar business without our prior written consent, except for Restaurants operated under Franchise Agreements with us
r.	Non-competition covenants after the franchise is terminated or expires	Section 12	No competing business for two years and within 20 miles of any Restaurant in the System
s.	Modification of the agreement	Section 18	Multi-Unit Operator Agreement may not be modified unless mutually agreed to in writing

Provision	Section in Multi-Unit Operator Agreement	Summary
t. Integration/merger clause	Section 18	Only the terms of the Multi-Unit Operator Agreement and other related written agreements are binding (subject to state law.) Any representations or promises outside the disclosure document and Multi-Unit Operator Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 19	Arbitration in Nebraska, subject to applicable state and federal law
v. Choice of forum	Section 19	Douglas County, Nebraska, subject to applicable state and federal law
w. Choice of law	Section 18	Nebraska, subject to applicable state and federal law

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet 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.

The following Financial Performance Representation sets forth the actual reported results of all Early Bird Restaurant locations operating under our System during the fiscal year ended December 31, 2025 (the "Measurement Period"). All data presented herein was derived from internal profit and loss statements submitted by each location to us for the Measurement Period.

This Item 19 contains two parts: Part A presents the financial results of all five (5) company-owned and affiliate-owned Early Bird Restaurants operated during the Measurement Period. Part B presents the financial results of our franchised locations, shown in two cohorts: the bottom 25% and top 25% performers by gross sales.

PART A — Company/Affiliate-Owned Locations (5 Locations)	PART B — Franchised Locations (Cohort Basis)
• Early Bird Blackstone (Omaha, NE) • Early Bird Regency (Omaha, NE) • Early Bird Shadow Lake (Papillion, NE)	• Bottom 25% Franchisee Performer (Ankeny, IA — Early Bird Ankeny) • Top 25% Franchisee Performer (West

PART A — Company/Affiliate-Owned Locations (5 Locations)	PART B — Franchised Locations (Cohort Basis)
• Early Bird Telegraph (Omaha, NE) • Early Bird West O (Omaha, NE)	Des Moines, IA — Early Bird WDM)

All locations included in this Item 19 were in continuous operation for at least twelve (12) months during the Measurement Period. The locations were selected based on their classification as company-owned/affiliate-owned (Part A) or as representative franchisee performance cohorts (Part B). Company-owned and affiliate-owned locations are operated by our affiliates T&K Ventures, LLC, T&K Ventures II, LLC, and T&K Ventures III. These locations do not pay royalties or brand development fees to us, which would otherwise reduce net operating income. See Part B and the notes below for franchisee-specific fee obligations.

PART A — Company-Owned and Affiliate-Owned Location Results

The table below sets forth the actual profit and loss results for all five (5) company-owned and affiliate-owned Early Bird Restaurants for the fiscal year ended December 31, 2025. The "Average" column reflects the unweighted arithmetic mean of all five locations. These locations are operated by our affiliates and do not pay royalty fees (4%) or brand development fees (up to 1%) to us, which would be required of franchisees. The net operating income figures in Part A are therefore not directly comparable to the franchisee net operating income figures in Part B without adjustment for those fees.

Line Item	Blackstone (Corp.)	Regency (Corp.)	Shadow Lake (Corp.)	Telegraph (Corp.)	West O (Corp.)	Average (All 5)
TOTAL REVENUE (GROSS SALES)	**$1,653,017**	**$1,603,188**	**$1,913,592**	**$2,364,448**	**$1,964,149**	**$1,899,679**
COST OF GOODS SOLD						
Total Beverage Cost	$24,869	$19,150	$20,713	$22,442	$31,541	$23,743
% of Revenue	1.5%	1.2%	1.1%	0.9%	1.6%	1.2%
Total Food Cost	$425,391	$365,416	$470,509	$601,491	$484,836	$469,528
% of Revenue	25.7%	22.8%	24.6%	25.4%	24.7%	24.7%
Total Other COGS	$200,544	$180,298	$171,241	$195,453	$178,139	$185,135

Line Item	Blackstone (Corp.)	Regency (Corp.)	Shadow Lake (Corp.)	Telegraph (Corp.)	West O (Corp.)	Average (All 5)
% of Revenue	12.1%	11.2%	8.9%	8.3%	9.1%	9.7%
Total Cost of Goods Sold	**$650,803**	**$564,864**	**$662,463**	**$819,385**	**$694,516**	**$678,406**
% of Revenue	39.4%	35.2%	34.6%	34.7%	35.4%	35.7%
GROSS PROFIT	**$1,002,214**	**$1,038,323**	**$1,251,128**	**$1,545,063**	**$1,269,634**	**$1,221,272**
Gross Profit Margin	60.6%	64.8%	65.4%	65.3%	64.6%	64.3%
OPERATING EXPENSES						
Advertising & Marketing (3%)	$49,591	$48,096	$57,408	$70,933	$58,924	$56,990
% of Revenue	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Total Payroll Expenses	$525,389	$504,777	$591,544	$711,781	$623,219	$591,342
% of Revenue	31.8%	31.5%	30.9%	30.1%	31.7%	31.1%
Total Other Expenses	$200,934	$244,696	$220,155	$208,246	$276,353	$230,077
% of Revenue	12.2%	15.3%	11.5%	8.8%	14.1%	12.1%
Repairs & Maintenance	$460	$300	$359	$846	$1,228	$638
% of Revenue	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Total Operating Expenses	**$776,373**	**$797,869**	**$869,465**	**$991,807**	**$959,725**	**$879,048**
% of Revenue	47.0%	49.8%	45.4%	41.9%	48.9%	46.3%

Line Item	Blackstone (Corp.)	Regency (Corp.)	Shadow Lake (Corp.)	Telegraph (Corp.)	West O (Corp.)	Average (All 5)
NET OPERATING INCOME	**$225,840**	**$240,455**	**$381,663**	**$553,256**	**$309,908**	**$342,225**
Net Operating Margin	**13.7%**	**15.0%**	**19.9%**	**23.4%**	**15.8%**	**18.0%**

PART B — Franchisee Location Results (Top 25% and Bottom 25%)

The table below sets forth the actual profit and loss results for our franchised Early Bird Restaurants for the fiscal year ended December 31, 2025, presented in two cohorts: the Bottom 25% Performer (Early Bird Ankeny, located in Ankeny, Iowa) and the Top 25% Performer (Early Bird WDM, located in West Des Moines, Iowa). These locations were selected based on their gross sales performance relative to all franchised locations operating during the Measurement Period.

Unlike the company-owned locations in Part A, franchisee locations include royalty fee payments (4% of gross sales) and brand development fund contributions (up to 1% of gross sales). The royalty fees are reflected in the "Total Operating Expenses" and "Net Operating Income" lines below. The advertising and marketing expense (3%) shown below represents the local marketing expenditure required under the Franchise Agreement and does not include the brand development fund contribution (up to 1%), which is an additional fee obligation not reflected in these results.

Line Item	Bottom 25% Performer ($)	% of Revenue	Top 25% Performer ($)	% of Revenue
TOTAL REVENUE (GROSS SALES)	**$1,310,186**	**100.0%**	**$2,104.181**	**100.0%**
COST OF GOODS SOLD				
Total Beverage Cost	$28,749	2.2%	$34,376	1.6%
Total Food Cost	$353,672	27.0%	$529,810	25.2%
Total Other COGS	$123,450	9.4%	$185,878	8.8%
Total Cost of Goods Sold	**$505,871**	**38.6%**	**$750,064**	**35.6%**
GROSS PROFIT	**$804,315**	**61.4%**	**$1,354,117**	**64.4%**
OPERATING EXPENSES				
Advertising & Marketing (3%)	$39,306	3.0%	$63,125	3.0%

Line Item	Bottom 25% Performer ($)	% of Revenue	Top 25% Performer ($)	% of Revenue
Royalties (4% of Gross Sales)(1)	$32,210	2.5%	$52,238	2.5%
Total Payroll Expenses	$390,780	29.8%	$614,187	29.2%
Total Other Expenses	$234,506	17.9%	$239,937	11.4%
Repairs & Maintenance	$1,189	0.1%	$1,164	0.1%
Total Operating Expenses	**$665,781**	**50.8%**	**$918,414**	**43.6%**
NET OPERATING INCOME(2)	**$138,534**	**10.6%**	**$435,703**	**20.7%**

Bottom 25% Revenue	Bottom 25% NOI Margin	Top 25% Revenue	Top 25% NOI Margin
$1,310,186	**10.6%**	**$2,104,181**	**20.7%**

Notes and Qualifications to Financial Performance Representations

(1) Royalty Fees. The royalty fee of 4% of Gross Sales is an obligation of franchisees under the Franchise Agreement and is included as an expense item in Part B. Company-owned and affiliate-owned locations shown in Part A do not pay royalty fees to us; accordingly, the net operating income figures in Part A would be reduced by approximately 4% of gross sales if such royalty fees were applicable. For illustrative purposes, after applying a 4% royalty deduction, the adjusted average net operating income for Part A locations would be approximately $266,237.37, representing an adjusted margin of approximately 14.0%.

(2) Brand Development Fund. In addition to the 3% local marketing requirement reflected in the Advertising & Marketing expense line, franchisees must contribute up to 1% of Gross Sales to the Brand Development Fund. This obligation is not separately reflected in the Part B table above. Including the brand development fund contribution at 1%, total marketing-related obligations for franchisees would range from 4% to 5% of Gross Sales depending on the applicable contribution rate.

(3) Basis of Preparation. The financial data presented in this Item 19 was derived from internal profit and loss statements submitted by each location to us for the fiscal year ended December 31, 2025. The data has not been independently audited. We have not verified the accuracy of the underlying financial records of any franchisee location, and you should independently verify this information with those franchisees directly.

(4) Company-Owned Location Costs and Differences. Company-owned and affiliate-owned locations may have cost structures that differ from franchisee-operated locations. For example, company-owned locations may benefit from volume purchasing, shared administrative services, and management infrastructure that would not be available to an individual franchisee. As a result, certain cost line items (particularly payroll, insurance, and supplies) may be lower on a per-location basis for company-owned locations than for comparable franchisee-operated locations.

(5) Not All Locations Performed Similarly. Of the five company-owned and affiliate-owned locations

included in Part A, net operating income ranged from a low of $225,840 (13.7% margin) at Blackstone to a high of $553,256 (23.4% margin) at Telegraph. The average results presented are the unweighted arithmetic mean and may not be representative of any individual location's performance. For franchisee locations, only two locations are included in Part B; as the total number of franchised locations increases over time, future Item 19 disclosures may include a broader range of data.

(6) Excluded Costs. The financial data presented does not include: (a) debt service, depreciation, or amortization (if applicable); (b) income taxes; (c) owner's compensation or draws (for franchisee locations); (d) the brand development fund contribution (up to 1% of Gross Sales); (e) costs of opening a new Restaurant, including pre-opening expenses, training-related travel and lodging costs, or initial inventory purchases; or (f) any amounts payable under any equipment leases or financing arrangements. You should factor these costs into your own financial projections.

(7) Alcohol Sales Requirement and Liquor License Costs. All Early Bird Restaurants are required to offer beer, wine, and cocktails unless prohibited by local law. Obtaining a liquor license may involve significant upfront costs (see Item 7) and ongoing compliance obligations. The cost of compliance with state and local alcohol regulations is not separately itemized in the financial data above but is generally reflected in the Business Licenses and Permits, Insurance, and POS/Software expense lines.
Written substantiation for these financial performance representations is available upon reasonable request.

Some locations have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting James Burrow at 8264 Hascall Street, Suite 204, Omaha, NE 68124, 402-707-6250, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	0	0	0
	2024	0	1	+1
	2025	1	3	+2
Company-Owned*	2023	1	2	+1
	2024	2	4	+2
	2025	4	5	+1
Total Outlets	**2023**	**1**	**2**	**+1**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2024	**2**	**5**	**+3**
	2025	**5**	**8**	**+3**

* The Company-Owned Outlets reflected in the chart above are owned and operated by our affiliates.

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

State	Year	Number of Transfers
Total	**2023**	**0**
	2024	**0**
	2025	**0**

Table No. 3
Status of Franchised Outlets
For years 2023 to 2025

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
Iowa	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	2	0	0	0	0	3
Total	**2023**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**1**	**0**	**0**	**0**	**0**	**1**
	2025	**1**	**2**	**0**	**0**	**0**	**0**	**3**

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

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Iowa	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Nebraska	2023	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2024	0	2	0	0	0	2
	2025	2	1	0	0	0	3
Total	**2023**	**1**	**1**	**0**	**0**	**0**	**2**
	2024	**2**	**2**	**0**	**0**	**0**	**4**
	2025	**4**	**1**	**0**	**0**	**0**	**5**

* The Outlets in the above chart are owned and operated by our affiliates.

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

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
South Dakota	1	1	2
Iowa	0	1	0
Total	**1**	**2**	**2**

A list of the names of all franchisees and the addresses and telephones numbers of their franchises is provided in Exhibit D to this disclosure document.

The name, city, state and current business telephone number (or if unknown, the last known home telephone number) of every franchisee who had a franchise terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the applicable Agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this disclosure document will be listed on Exhibit E to this disclosure document when applicable. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

During the last three fiscal years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Early Bird System.

There are no trademark-specific organizations formed by our franchisees that are associated with the Early Bird System.

ITEM 21
FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Attached to this Disclosure Document as Exhibit A are our audited financial statements for the fiscal year ended December 31, 2025 and December 31, 2024. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

Attached as Exhibits to this Disclosure Document are the following contracts and their attachments:

1.	Franchise Agreement	Exhibit B
2.	Multi-Unit Operator Agreement	Exhibit C
3.	State Specific Addenda and Riders	Exhibit G
4.	Form of General Release	Exhibit I
5.	Collateral Assignment of Lease	Exhibit J
6.	Statement of Ownership Interests and Franchisee's/Multi-Owner's Principals	Exhibit K
7.	Controlling Principals Agreement	Exhibit L
8.	Confidentiality and Non-Competition Agreement	Exhibit M
9.	Electronic Transfer Authorization	Exhibit N
10.	Internet Websites and Listings Agreement	Exhibit O-1
11.	Telephone Listing Agreement	Exhibit O-2
12.	Power of Attorney (Tax)	Exhibit P
13.	ADA Certification	Exhibit Q

ITEM 23
RECEIPTS

Exhibit S to this disclosure document are detachable receipts. You are to sign both, keep one copy and return the other copy to us.

EXHIBIT A

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

Not your everyday brunch, every day.

EARLY BIRD CORPORATE, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025 AND 2024

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

EAERLY BIRD COPROPRATE, LLC

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Independent Auditor's Report

To the Members
Early Bird Corporate, LLC
Omaha, Nebraska

Opinion

We have audited the accompanying financial statements of Early Bird Corporate, LLC, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Early Bird Corporate, LLC, as of December 31, 2025 and 2024 and the related statements of operations, members' equity and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Keezal & Dunlavy

St. George, Utah
March 23, 2026

EARLY BIRD CORPORATE, LLC

BALANCE SHEETS

As of December 31, 2025 and 2024

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	$ 210,842	$ 101,349
Accounts receivable	128,724	44,820
Prepaids and other current assets	-	12,645
Deferred contract costs, current	10,333	-
Total current assets	349,899	158,814
Non-current assets		
Deferred contract costs, non-current	20,667	-
Operating lease right-of-use asset	4,509	-
Total non-current assets	25,176	-
Total assets	$ 375,075	$ 158,814
Liabilities and Members' Equity		
Current liabilities		
Accounts payable	$ 31,000	$ 4,834
Gift card liability	253,222	129,250
Credit card payable	1,429	502
Deferred revenue, current	21,333	-
Operating lease liability	4,599	-
Total current liabilities	311,583	134,586
Non-current liabilities		
Deferred revenue, non-current	42,667	-
Total non-current liabilities	42,667	-
Total liabilities	354,250	134,586
Members' equity	20,825	24,228
Total liabilities and members' equity	$ 375,075	$ 158,814

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

EARLY BIRD CORPORATE, LLC

STATEMENTS OF OPERATIONS

For the years ended December 31, 2025 and 2024

	2025	2024
Operating revenue		
Ad fund income	$ 150,947	$ -
Rebate income	141,107	67,130
Royalty income	124,352	100,884
Other operating revenue	9,510	2,781
Total operating revenue	425,916	170,795
Operating expenses		
Advertising and marketing	226,031	7,871
General and administrative	193,288	122,654
Total operating expenses	419,319	130,525
Net income	$ 6,597	$ 40,270

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

EARLY BIRD CORPORATE, LLC

STATEMENTS OF MEMBERS' EQUITY

For the years ended December 31, 2025 and 2024

Balance as of January 1, 2024	$ -
Members contributions	56,624
Members distributions	(72,666)
Net income	40,270
Balance as of December 31, 2024	24,228
Members contributions	500
Members distributions	(10,500)
Net income	6,597
Balance as of December 31, 2025	$ 20,825

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

EARLY BIRD CORPORATE, LLC

STATEMENTS OF CASHFLOWS

For the years ended December 31, 2025 and 2024

	2025	2024
Cash flow from operating activities:		
Net income	$ 6,597	$ 40,270
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable	(83,904)	(44,820)
Prepaid and other current assets	12,645	(12,645)
Deferred contract costs	(31,000)	-
Operating lease liability	90	-
Accounts payable	26,166	4,834
Gift card liability	123,971	129,250
Credit card payable	927	502
Deferred revenue	64,000	-
Net cash provided by operating activities	119,492	117,391
Cash flows from financing activities:		
Member contributions	500	56,624
Member distributions	(10,500)	(72,666)
Net cash used in financing activities	(10,000)	(16,042)
Net change in cash	109,493	101,349
Cash at the beginning of the year	101,349	-
Cash at the end of the year	$ 210,842	$ 101,349

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Early Bird Corporate, LLC (the "Company") was formed on January 1, 2022 in the state of Nebraska. The Company was formed for the purpose of selling, marketing and supporting a brunch retail food franchise concept. The members of the Company are protected by the limited liability structure afforded to limited liability companies under the laws of the state of Nebraska. Pursuant to the state of Nebraska regulations, members' personal liability for the debts, obligations, and liabilities of the Company is generally limited to their respective capital contributions to the Company. The Company began franchising operations during the year ended December 31, 2024.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission ("SEC"), superseding existing FASB, American Institute of Certified Public Accountants, Emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Reclassification

Certain items in prior years have been reclassified to conform to the current year's presentation.

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase.

(f) Accounts receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalties and other sales transactions. These accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts.

When determining the allowance for doubtful receivable, the Company has adopted ASC 326, *Financial Instruments—Credit Losses*. This standard requires that management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected credit losses over the life of the financial instrument. For trade receivables, management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. As of December 31, 2025 and 2024, the Company had no allowance for uncollectible accounts.

(g) Leases

For lease agreements entered into subsequent to the adoption of ASC 842, the Company determines if an arrangement is a lease at inception. The Company's lease liabilities represent the obligation to make lease payments arising from the leases and right of use ("ROU") assets are recognized as an offset at lease inception. ROU assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. If the Company's leases include options to extend the lease, the renewal options are not included in the minimum lease terms unless they are reasonably certain to be exercised. Rent expense for lease payments related to operating leases is recognized on a straight-line basis over the lease term and is included in general and administrative expenses in the statements of operations.

The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from any short-term leases. All leases with a term of 12 months or less at commencement, for which the Company is not reasonably certain to exercise available renewal options or to enter into new leases that would extend the lease term past 12 months, will be recognized on a straight-line basis over the lease term.

(h) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the year ended December 31, 2025 and 2024, were $226,031 and $7,871, respectively.

(i) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable, the carrying amounts approximate fair value due to their short maturities.

(j) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(k) Gift card liability

The Company processes gift card purchases for all locations and recognizes a gift card liability in the amount of the unredeemed gift cards as of year-end. The Company then reimburses each location when the gift cards are redeemed.

(l) Revenue Recognition

The Company has adopted ASC 606, *Revenue from Contracts with Customers*. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

The Company's primary revenues consist of initial franchise fees, royalty fees and ad fund fees from locations operated by conventional franchisees, and product rebates from vendors that supply products to the franchisees.

Royalty and ad fund fees

Upon evaluation of the five-step process, the Company has determined that royalty and ad fund fees are to be recognized in the same period as the underlying sale.

Rebate income

The Company has entered into agreements with vendors to supply franchisees. As part of the agreement, the Company has a right to receive rebates. Upon evaluation of the five-step process, the Company has determined that rebate income is to be recognized in the same period as the underlying sales to the franchisees.

Initial franchise fees

The Company is required to allocate the transaction price associated with initial franchise fees between the franchise license and associated performance obligations. In identifying the associated performance obligations, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. In addition, the practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation, which the Company has elected to adopt.

These pre-opening services include the following services (which the Company may or may not provide all of):

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

In determining the allocation of transaction price (the initial franchise fee) to either the license or to the pre-opening services, the Company has determined that the standalone selling price of its pre-opening services exceeds the initial franchise fee received; as such, the Company allocates the entire initial franchise fees to those pre-opening services. The franchise fees are then recognized as revenue when those pre-opening services have been completed (which generally occurs upon commencement of the associated franchised location's operations).

(m) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Nebraska. Accordingly, the income or loss of the Company will be included in the income tax returns of the members. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the members rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2025, the 2024, 2023 and 2022 tax years were subject to examination.

(2) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalty and ad fund fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Early Bird system for a period of 10 years. Under the Company's revenue recognition policy, the Company allocates the initial franchise fee to the pre-opening-services obligation, which is recognized when the pre-opening-services obligation has been fulfilled (generally when the franchisee begins operations). In addition, the Company defers related contract costs such as broker commissions over the same period and records them as deferred contract costs. For any franchisees that have not met the criteria for revenue recognition as of year-end, the Company defers both the franchise fee revenue and any associated commissions. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current.

The Company's deferred contract cost activity is as follows for the year ended December 31, 2025:

	2025
Beginning deferred contract costs	$ -
Additions	31,000
Expenses recognized	-
Ending deferred contract costs	$ 31,000
Deferred contract costs, current	$ 10,333
Deferred contract costs, non-current	20,667
	$ 31,000

There were no deferred contract costs as of December, 31, 2024.

The Company's deferred revenue activity is as follows for the year ended December 31, 2025:

	2025
Beginning deferred revenue	$ -
Additions	64,000
Revenue recognized from beginning deferred revenue	-
Revenue recognized from contracts executed in the current year	-
Ending deferred revenue	$ 64,000
Deferred revenue, current	$ 21,333
Deferred revenue, non-current	42,667
	$ 64,000

There was no deferred revenue as of December 31, 2024.

(3) Operating Lease

The Company has a lease for office space that is classified as an operating lease. The Company entered into the lease agreement on June 18, 2024. The term of the lease is two years with options to renew. The Company considers various factors, including the asset's continued utility and market conditions, when determining whether to exercise renewal options. The exercise of renewal options is not included in the future minimum lease payments disclosed below.

As of December 31, 2025, the future minimum lease payments under non-cancelable operating lease were $4,599 as the lease matures in 2026.

(4) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involving such amounts of unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(5) Subsequent Events

Management has reviewed and evaluated subsequent events through March 23, 2026, the date on which the financial statements were issued.

EXHIBIT B

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF FRANCHISE AGREEMENT

EARLY BIRD CORPORATE, LLC

FRANCHISE AGREEMENT

_____

FRANCHISEE

_____

DATE OF AGREEMENT

EARLY BIRD CORPORATE, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into by and between Early Bird Corporate, LLC, a Nebraska limited liability company having its principal place of business at 8264 Hascall Street, Suite 204, Omaha, NE 68124 ("we", "us", "our", or "Franchisor") and _____, a _____ [corporation/limited liability company/partnership] organized under the laws of _____, having its principal place of business at _____ ("you", "your" or "Franchisee") on the date this Agreement is executed by Franchisor below (the "Effective Date"). This Agreement shall be effective as of the Effective Date and shall be binding upon the parties and their respective successors and permitted assigns.

WITNESSETH:

WHEREAS, as the result of the expenditure of time, skill, effort and money, we and our affiliate have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment and operation of a full service restaurant operating under the name "Early Bird" offering breakfast and lunch menus as well as beer, wine and cocktails for dine-in or take-out ("Restaurant" or "Franchised Business"). With our prior written consent only, your Restaurant may also offer catering and/or delivery services;

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Early Bird" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks");

WHEREAS, we and our affiliate continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service;

WHEREAS, you understand and acknowledge the importance of our high standards of quality, cleanliness, appearance and service and the necessity of operating the business franchised hereunder in conformity with our standards and specifications; and

WHEREAS, you desire to use the System in connection with the operation of a Restaurant at the location accepted by us as herein provided, as well as to receive the training and other assistance provided by us in connection therewith.

NOW, THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

ARTICLE 1
GRANT

1.1 Grant of Franchise

In reliance on the representations and warranties of you and your Controlling Principals (as defined in Section 19.17) hereunder, we hereby grant to you, upon the terms and conditions in this Agreement, the right and license, and you hereby accept the right and obligation, to operate an Early Bird Restaurant under the Marks and the System in accordance with this Agreement. You and the Controlling Principals have represented to us that you have entered into this Agreement with the intention to comply fully with the obligations to construct a Restaurant hereunder and not for the purpose of reselling the rights to develop the Restaurant hereunder. You and the Controlling Principals understand and acknowledge that we have granted such rights in reliance on the business skill, financial capacity, personal character of, and expectations of performance hereunder by, you and the Controlling Principals and that this Agreement and the rights and obligations hereunder may not be transferred, assigned, pledged, encumbered, or otherwise conveyed in any manner whatsoever until after the Restaurant is open for business to the public in accordance with Section 2.6, and then only in strict accordance with Article 14 hereof. Any attempted transfer in violation of this provision shall be null and void and shall constitute a material breach of this Agreement.

1.2 Accepted Location

The specific street address of the Restaurant location accepted by us shall be set forth in Attachment A ("Location" or "Accepted Location"). You shall not relocate the Restaurant without our express prior written consent, which consent may be withheld in our sole and absolute discretion. This Agreement does not grant to you the right or license to operate the Restaurant or to offer or sell any products or services described under this Agreement at or from any location other than the Accepted Location.

1.3 Relocation

If you are unable to continue the operation of the Restaurant at the Accepted Location because of the occurrence of a force majeure event (as described in Section 17.1.3(e)), then you may request our approval to relocate the Restaurant to another location in the Territory, as that term is defined below, which approval shall not be unreasonably withheld. Any other relocation outside the Territory or a relocation of the Restaurant not caused by force majeure shall be subject to our prior written approval, which may be withheld in our sole and absolute discretion. You acknowledge that we have no obligation to approve any relocation not caused by force majeure. If we elect to grant you the right to relocate the Restaurant, then you shall comply with the site selection and construction procedures set forth in Article 2. Upon our approval of your relocation request, you shall pay to us a relocation fee in an amount equal to thirty percent (30%) of our then-current initial franchise fee.

1.4 Territory

Upon the execution of this Agreement or when the Accepted Location is determined, whichever occurs later, you will be assigned a territory (the "Territory") that will also be described in Attachment A. Except as provided in this Agreement, and subject to your and the Controlling Principals' material compliance with this Agreement, any other agreement among you or any of your affiliates (defined for the purposes hereof as any entity that is controlled by, controlling or under common control with such other entity) and us or our affiliates, we shall not establish or authorize any other person or entity, other than you, to establish a Restaurant in the Territory during the term of this Agreement and any extensions hereof. You acknowledge and understand that the rights granted hereunder pertain only to the establishment of a Restaurant. You acknowledge and agree that our affiliates currently operate, or may in the future operate, restaurants under different marks and with operating systems that are the same as or similar to the System,

and that any such restaurants might compete with your Restaurant. You further agree and acknowledge that the license granted hereby is only for the operation of one (1) Restaurant and only at the Accepted Location or such other location as may be approved by us in writing in accordance with this Agreement. Any operation of the Restaurant at any other location, or operation of any other restaurant business utilizing the System or Marks, shall constitute a material breach of this Agreement and an infringement of our intellectual property rights.

1.5 Our Rights Reserved

1.5.1 Nothing in this Agreement will prohibit us from: (a) operating and/or franchising or licensing others to operate restaurants or foodservice outlets identified in whole or in part by the Proprietary Marks and/or utilizing the System in the Territory that are located in gas stations or convenience stores; transportation facilities, including airports, train stations, subways and rail and bus stations; military bases and government offices; sports facilities, including stadiums and arenas; amusement parks, zoos and convention centers; car and truck rest stops and travel centers; educational facilities; recreational theme parks; hospitals; business or industrial foodservice venues; venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider; Indian reservations; casinos; hotels, resorts, or lodging facilities; office buildings; shopping malls; or any similar captive market location or any location that we determine, in our sole discretion, is not reasonably available to you or is a specialized venue ("Non-Traditional Site"); (b) awarding national, regional or local licenses to third parties to sell products under the Proprietary Marks in foodservice facilities primarily identified by the third party's trademark; (c) merchandising and distributing products identified by the Proprietary Marks in the Territory through any method or channel of distribution other than through the operation of a restaurant or delivery services; (d) selling and distributing products identified by the Proprietary Marks in the Territory to restaurants other than restaurants identified by the Proprietary Marks, provided those restaurants are not licensed to use the Proprietary Marks in connection with their retail sales; (e) selling products and services through other channels of distribution, including the Internet, e-commerce platforms, mobile applications, third-party delivery services, wholesale, mail order, catalog, television, social media, and any other distribution channel now existing or hereafter developed; (f) developing and/or owning other franchise systems for the same or similar products and services using trade names and trademarks other than the Proprietary Marks; and (g) purchasing, being purchased by, merging, combining, or affiliating with, or entering into any business relationship with, businesses or entities that offer the same, similar, or different products or services, whether or not such businesses compete with Early Bird Restaurants, without any obligation to offer you any rights with respect to such businesses or to account to you for any revenues or profits derived therefrom.

1.5.2 You understand and acknowledge that if any Non-Traditional Site (as described above) is located within the physical boundaries of your Territory, then the premises of this Non-Traditional Site will not be included in your Territory and you will have no rights to this Non-Traditional Site.

1.5.3 This Section 1.5 does not prohibit us or our affiliates from: (a) operating and franchising others to operate, during the Initial Term, Early Bird Restaurants at any location outside of the Territory; (b) operating and franchising others to operate, after this Agreement terminates or expires, Early Bird Restaurants at any location, including locations inside the Territory; and (c) operating and franchising others to operate at any location, during or after the Initial Term, any type of restaurant other than an Early Bird Restaurant.

1.5.4 The restrictions contained in this Section do not apply to Early Bird Restaurants in operation, under lease or construction or other commitment to open in the Territory as of the Effective Date.

1.5.5 Except as expressly limited by this Section 1.5, we and our affiliates have the right to conduct any business activities, under any name, in any geographic area and at any location, regardless of the proximity to the Franchised Restaurant or the economic effect on the Franchised Restaurant or activities under this Agreement.

1.6 Form of Agreement

You acknowledge that, over time, we have entered, and will continue to enter, into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that we and other franchisees may have different rights and obligations does not affect our or your duties to comply with the terms of this Agreement.

ARTICLE 2
SITE SELECTION, PLANS AND CONSTRUCTION

2.1 Your Responsibility to Locate a Site

You assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for the Restaurant within the Territory, and for constructing and equipping the Restaurant at such site. You shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Restaurant unless the site is accepted by us as set forth below. You acknowledge that the location, selection, procurement and development of a site for the Restaurant is your responsibility; that in discharging such responsibility you shall consult with real estate and other professionals of your choosing; and that our approval of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by us that the Restaurant operated at that site will be profitable or otherwise successful.

2.2 Site Selection

2.2.1 If you do not already have possession of a location that we have accepted upon your execution of this Agreement, then prior to acquiring by lease or purchase a site for the Restaurant, but within one hundred twenty (120) days of the date this Agreement is executed, you shall locate a site for the Restaurant that satisfies the site selection guidelines provided to you by us pursuant to Section 5.1 and shall submit to us in the form specified by us a description of the site, including evidence reasonably satisfactory to us demonstrating that the site satisfies our site selection guidelines, together with such other information and materials as we may reasonably require, including, but not limited to, a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. We shall have thirty (30) days after receipt of this information and materials to accept or decline, in our sole discretion, the proposed site as the location for the Restaurant. In our discretion, we may conduct one (1) on-site evaluation of the proposed location for the Restaurant. No site may be used for the location of the Restaurant unless it is first accepted in writing by us. You acknowledge and agree that our acceptance of a location for the Restaurant is not a warranty or guaranty, express or implied, that you will achieve any particular level of success at the location or that your Restaurant will be profitable. Our acceptance of a location for the Restaurant only signifies that the location meets our then-current minimum criteria for an Early Bird Restaurant. We reserve the right to approve deviations from our site selection standards based on the individual factors and components of a particular site, but any such approvals shall be granted in our sole discretion.

2.2.2 If you elect to purchase the premises for the Restaurant, you shall submit a copy of the proposed contract of sale to us for our written approval prior to its execution and shall furnish to us a copy of the executed contract of sale within ten (10) days after execution. If you will occupy the premises of the Restaurant under a lease or sublease, you shall submit a copy of the lease or sublease to us for written

acceptance prior to its execution and shall furnish to us a copy of the executed lease or sublease within ten (10) days after execution. No lease or sublease for the Restaurant premises shall be accepted by us unless a Collateral Assignment of Lease, prepared by us and executed by us, you and the lessor or sublessor, in substantially the form attached as Attachment B, is attached to the lease and incorporated therein. We shall have ten (10) days after receipt of the lease, sublease or the proposed contract of sale to either accept or decline such documentation prior to its execution. If we do not provide our specific approval of the lease, sublease or contract of sale within this ten (10) day period, then it shall be deemed not accepted.

2.2.3 After a location for the Restaurant is accepted by us and acquired by you pursuant to this Agreement the Location shall be described in Attachment A.

2.3 Zoning Clearances, Permits and Licenses

You shall be responsible for obtaining all zoning classifications and clearances which may be required by state or local laws, ordinances or regulations or which may be necessary as a result of any restrictive covenants relating to the Restaurant premises. Prior to beginning the construction of the Restaurant, you shall (i) obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Restaurant, and (ii) certify in writing to us that the insurance coverage specified in Article 12 is in full force and effect (or provide us with a certificate of insurance evidencing coverage) and that all required approvals, clearances, permits and certifications have been obtained. Upon our written request, you shall provide us with additional copies of your insurance policies or certificates of insurance and copies of all such approvals, clearances, permits and certifications. Prior to opening the Franchised Business, and before any renovation to the Franchised Business, Franchisee shall execute an ADA Certification in the form attached to this Agreement, certifying in writing to Franchisor that the Franchised Business and any proposed renovations comply with the Americans with Disabilities Act. Franchisee acknowledges that it bears sole responsibility for ADA compliance and shall indemnify and hold Franchisor harmless from any claims, damages, or liability arising from ADA non-compliance.

2.4 Design of Restaurant

You must obtain any architectural, engineering and design services required for the construction of the Restaurant at your own expense from an architectural design firm approved or designated by us. You shall adapt the prototypical architectural and design plans and specifications for construction of the Restaurant provided to you by us in accordance with Section 5.3 as necessary for the construction of the Restaurant and shall submit such adapted plans to us for our review. If we determine, in our reasonable discretion, that any such plans are not consistent with the best interests of the System, we may prohibit the implementation of such plans, and in this event will notify you of any objection(s) within ten (10) days of receiving such plans. If we fail to notify you of an objection to the plans within this time period, you may use such plans. If we object to any such plans, we shall provide you with a reasonably detailed list of changes necessary to make the plans acceptable. We shall, upon a re-submission of the plans with such changes, notify you within ten (10) days of receiving the resubmitted plans whether the plans are acceptable. If we fail to notify you in writing of any objection within such time period, you may use the resubmitted plans. You acknowledge that our review of such plans relates only to compliance with the System and that acceptance by us of such plans does not constitute a representation, warranty, or guarantee, express or implied, by us that such plans are accurate or free of error concerning their design or structural application.

2.5 Build-Out of Restaurant

You shall commence and diligently pursue construction or remodeling (as applicable) of the Restaurant. Commencement of construction shall be defined as the time at which any site work is initiated by you or on your behalf at the location accepted for the Restaurant. Site work includes, without limitation, paving of parking areas, installing outdoor lighting and sidewalks, extending utilities, demising of interior

walls and demolishing of any existing premises. You must hire, at your expense, a construction manager that we approve. The construction manager will assist you in building out your Restaurant to our required specifications. In our sole discretion, this requirement may be waived depending on your qualifications and experience, as well as the condition of the site of the Restaurant. If we waive this requirement you will be required to follow our development prototype and specifications. During the time of construction or remodeling, you shall provide us with such periodic reports regarding the progress of the construction or remodeling as may be reasonably requested by us. In addition, we may make such on-site inspections as we may deem reasonably necessary to evaluate such progress. You shall notify us of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Within a reasonable time after the date of completion of construction or remodeling, we may, at our option, conduct an inspection of the completed Restaurant. You acknowledge and agree that you will not open the Restaurant for business without our written authorization and that authorization to open shall be conditioned upon your strict compliance with this Agreement.

2.6 Opening Date; Time is of the Essence

You acknowledge that time is of the essence. Subject to your compliance with the conditions stated below, you shall open the Restaurant and commence business by the earlier of twelve (12) months from the date you execute this Agreement or nine (9) months from the date you execute the lease for the Accepted Location. The date the Restaurant actually opens for business to the public is herein called the "Opening Date". Prior to opening, you shall complete all exterior and interior preparations for the Restaurant, including installation of equipment, fixtures, furnishings and signs, pursuant to the plans and specifications reasonably approved by us, and shall comply with all of your other pre-opening obligations, including, but not limited to, those obligations described in Sections 6.2 through 6.7, to our reasonable satisfaction. If you fail to reasonably comply with any of such obligations, except for delay caused by a force majeure event as described in Section 17.1.3(e), we shall have the right to prohibit you from commencing business.

ARTICLE 3
TERM AND RENEWAL

3.1 Term

Unless sooner terminated as provided in Article 17 hereof, the term of this Agreement shall commence from the Opening Date and continue for a period of ten (10) years.

3.2 Renewal

Subject to the provisions of this Section, you shall have an option (exercisable only by written notice delivered to us less than nine (9) months, but more than six (6) months, prior to the end of the Initial Term of this Agreement) to renew the franchise hereunder up to two (2) additional periods of five (5) years each, if:

3.2.1 you have been, throughout the Initial Term of this Agreement, in substantial compliance, and at the expiration of such Initial Term are in full compliance, with this Agreement, the lease and all other agreements between you and us or companies associated or affiliated with us;

3.2.2 you enter into our then-current Franchise Agreement and all other ancillary agreements, instruments and documents then customarily used by us in the granting of franchises (which then-current Franchise Agreement may materially differ from this Agreement, including a higher rate of fees, different methods of calculating fees due, and different payment methods, which shall be the same as those set out in the franchise agreements being executed at the time of renewal);

3.2.3 you are able to maintain possession of the Accepted Location for the Restaurant (or at relocated premises pursuant to Section 1.3 hereof) pursuant to a lease reasonably acceptable to us;

3.2.4 you refurbish, upgrade, and/or renovate your Restaurant as we require in order that your Restaurant will meet our then-current standards and image for Early Bird Restaurants;

3.2.5 the landlord of the Accepted Location consents to a renewal or extension of the lease;

3.2.6 at the time the renewal option is exercised and at the time such renewal commences, all monetary obligations to us and any affiliate of ours must be current and must have been current at all times during the preceding twelve (12) months;

3.2.7 you execute a general release running in favor of us, our affiliates and our respective officers, directors and shareholders releasing all claims against us, our officers, directors and shareholders; and

3.2.8 you pay to us a renewal fee in the amount of Five Thousand Dollars ($5,000).

When you provide us with notice that you would like to renew this Agreement, we will re-evaluate your then-current Territory to determine whether there have been any shifts in demographics that would warrant modifying your Territory. Such demographic shifts include, but are not limited to, changes in population and median income. Our intent in doing such re-evaluation of your Territory is to make the target demographics of your Territory upon renewal similar to the target demographics of your original Territory. You understand and acknowledge that although we will use our best efforts to ensure that the demographics included in your renewal Territory are similar to the original Territory, (a) your total Territory size upon renewal may be smaller or larger than your original Territory; (b) we cannot guarantee that your renewal Territory will provide you with the same or similar results as with your original Territory; and (c) we make no guarantee, express or implied, that the demographics included in your renewal Territory will earn you any particular level of success.

3.3 Refusal to Renew Franchise Agreement

We can refuse to renew your franchise if your lease, sublease or other document by which you have the right to occupy the Accepted Location is not extended before your renewal term is to take effect to cover the period of the renewal or if you do not have a written commitment from your landlord to renew the lease or sublease for a period at least equal to the renewal term. We may also refuse to renew your franchise under other circumstances, including, but not limited to, your failure to comply substantially with the terms of this Agreement, your failure to pay amounts owed to us when due, or your failure to cure any defaults incurred during the Initial Term of this Agreement, if applicable.

3.4 Renewal Under Law

Even though we decline the renewal of your franchise, it is possible that we can be required to renew it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time. If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your renewal term will be subject to the conditions of the then-current form of Franchise Agreement we are using for new franchisees at the time the renewal period begins, including but not limited to any modifications to fees, royalty rates, territory provisions, operational requirements, and technology standards. If we are not then offering new franchises, your renewal period will be subject to the terms in the Franchise Agreement that we indicate in our sole and absolute discretion. If for any reason that is not allowed under applicable

law, the renewal term will be governed by the terms of this Agreement, as such terms may be modified by us to reflect then-current System Standards to the extent permitted by law.

3.5 Your Election Not to Renew

For the purposes hereof, you shall be deemed to have irrevocably elected not to renew the franchise hereunder (and the option to do so shall thereupon terminate) if you fail to: (i) execute and return to us our then-standard Franchise Agreement and all other ancillary documents required by us for a renewal franchise within thirty (30) days after we have delivered them to you; (ii) satisfy all conditions for renewal set forth in this Agreement; (iii) pay all renewal fees and other amounts due; or (iv) provide all certifications, financial statements, and other materials we reasonably request in connection with the renewal. Time is of the essence with respect to all renewal requirements.

3.6 Our Right to Purchase upon Your Election Not to Renew

In the event you elect not to renew the franchise pursuant to Section 3.5 herein, we have the right, but not the obligation, exercisable within thirty (30) days after the expiration date of this Agreement, to notify you, in writing, of our intention to purchase your business. The purchase price will be an amount equal to five (5) times your Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") for the immediately preceding twelve (12) calendar months from the location being purchased, as determined by us based on the books and records of the Restaurant. In the event of any dispute regarding the calculation of EBITDA, the parties shall submit the dispute to a mutually agreed upon independent certified public accountant for determination within thirty (30) days, and the determination of such accountant shall be final and binding. Each party shall bear its own costs, and shall share equally the costs of the independent accountant.

3.6.2 In the event that we elect to purchase your business, closing on such purchase must occur within thirty (30) days from the expiration date of this Agreement.

3.6.3 We may assign our rights under this Section 3.6 to any other person or entity.

3.6.4 Upon our election to purchase your business, you must: (i) assist fully with transitioning the business to us or our assignee, including providing training, introducing us to key employees, vendors and landlords, and transferring all customer relationships; (ii) refrain from taking any actions that could result in loss of employees, customers, vendors, or other harm to the business or its assets being purchased by us; (iii) maintain the business in good operating condition consistent with System Standards; (iv) refrain from soliciting or hiring any employees for any other business; (v) provide us with immediate access to all books, records, and business information; and (vi) execute all documents reasonably necessary to effect the transfer. Any breach of these obligations shall entitle us to specific performance, injunctive relief, and damages, and shall reduce the purchase price by the amount of any diminution in value caused by your breach.

ARTICLE 4
FEES

4.1 Initial Franchise Fee; Training Fee

You shall pay to us an initial franchise fee of Sixty Thousand Dollars ($60,000) which shall be paid upon the execution of this Agreement, less any amount credited to the initial franchise fee pursuant to the terms of a multi-unit operator agreement between you and us. The amount of the initial franchise fee when so paid shall be deemed fully earned and non-refundable under any circumstances, including but not limited to termination of this Agreement by either party, your failure to open the Restaurant, or any breach by either

party. This fee is earned in consideration of the administrative and other expenses incurred by us in granting the franchise hereunder, including opportunity costs, site evaluation, document preparation, credit review, and our lost or deferred opportunity to grant such franchise to any other party. You acknowledge that the initial franchise fee does not include any training fees, which shall be paid separately as provided in this Agreement.

4.2 Secret Penguin Marketing and Design Service Fee

Prior to the opening of the Restaurant, you shall pay to us a Secret Penguin Marketing and Design Service fee in the amount of Five Thousand Dollars ($5,000) per franchised location ("Secret Penguin Fee"). The Secret Penguin Fee shall be paid to us in full before the Restaurant opens for business and is non-refundable under any circumstances. In consideration of the Secret Penguin Fee, we shall provide, or cause to be provided through our designated vendor, the following services and materials for your franchised location: (a) mural design for the location; (b) graphics for the location; (c) press release preparation; (d) other design-related assistance surrounding the design of the location as we determine appropriate; (e) email services for one (1) year for up to four (4) users; (f) coffee mug art; (g) exterior signage files; and (h) billboard design for up to two (2) billboards. The Secret Penguin Fee is imposed uniformly on all franchisees, is fully earned by us upon payment, and shall not be subject to offset or refund for any reason.

4.3 Royalty Fees

4.3.1 During the term of this Agreement, you shall pay to us, in partial consideration for the rights herein granted, a continuing weekly royalty fee of four percent (4%) of Gross Sales ("Royalty Fee"). Such royalty fee shall be due and payable on Wednesday of each week based on the Gross Sales for the preceding week ending Sunday, provided that such day is a business day. If the date on which such payments would otherwise be due is not a business day, then payment shall be due on the next business day.

4.3.2 Each such royalty fee shall be preceded by a royalty report itemizing the Gross Sales for the preceding week ending Sunday ("Royalty Report") and any other reports required hereunder. Notwithstanding the foregoing, you shall provide us with such Royalty Report on the Monday of each week (or next business day if the Monday is not a business day) by modem or, if not reasonably available, by facsimile transmission or such other method of delivery as we may reasonably direct. As stated herein, we have the right to poll your point of sale system directly to obtain such Gross Sales information, but this does not diminish your responsibility to provide us with the required Royalty Report.

4.3.3 If any state imposes a sales or other tax on the Royalty Fees, then we have the right to collect this tax from you.

4.3.4 If a state or local law in which the Franchised Restaurant is located prohibits or restricts in any way your ability to pay and our ability to collect Royalty Fees or other amounts based on Gross Sales derived from the sale of alcoholic beverages at the Franchised Restaurant then we and you shall increase the percentage rate for calculating Royalty Fees, and change the definition of Gross Sales to exclude sales of alcoholic beverages, in a manner such that the Royalty Fees to be paid by you, and received by us, shall be equal to such amounts as you would have been required to pay, and we would have received, if sales from alcoholic beverages were included in Gross Sales.

4.4 Brand Development Fee

In addition to the Royalty Fee described in Section 4.3 above, you agree to pay to us a Brand Development Fee in an amount equal to up to one percent (1%) of the Restaurant's Gross Sales.

Such amount shall be contributed to a Brand Development Fund maintained by us, as described in Section 8.3 below. If the Brand Development Fund has not yet been established when this Agreement is executed by you and us, then you shall begin paying this advertising fee upon thirty (30) days' advance notice from us that the Brand Development Fund has been established. The Brand Development Fee is payable to us concurrently and through the same method as the Royalty Fee.

4.5 Payments to Us

By executing this Agreement, you agree that we shall have the right to withdraw funds from your designated bank account each week by electronic funds transfer ("EFT") in the amount of the Royalty Fee, Brand Development Fee and any other payments due to us and/or our affiliates. If you do not report the Restaurant's Gross Sales, we may debit your account for one hundred twenty percent (120%) of the last Royalty Fee and Brand Development Fee that we debited. If the Royalty Fee and Brand Development Fee we debit are less than the Royalty Fee and Brand Development Fee you actually owe to us, once we have been able to determine the Restaurant's true and correct Gross Sales, we will debit your account for the balance on a day we specify. If the Royalty Fee and Brand Development Fee we debit are greater than the Royalty Fee and Brand Development Fee you actually owe, we will credit the excess against the amount we otherwise would debit from your account during the following week. You shall, upon execution of this Agreement or at any time thereafter at our request, execute such documents or forms as we or your bank determine are necessary for us to process EFTs from your designated bank account for the payments due hereunder. If payments are not received when due, we may charge interest in accordance with Section 4.6 below. Upon written notice to you, you may be required to pay such fees directly to us in lieu of EFT, at our sole discretion.

4.6 Interest on Overdue Amounts

You shall not be entitled to withhold payments due us under this Agreement on grounds of alleged non-performance by us hereunder. Any payment or report not actually received by us on or before its due date shall be deemed overdue. Time is of the essence with respect to all payments to be made by you to us. All unpaid obligations under this Agreement shall bear interest from the date due until paid at the lesser of (i) eighteen percent (18%) per annum; or (ii) the maximum rate allowed by applicable law. Notwithstanding anything to the contrary contained herein, no provision of this Agreement shall require the payment or permit the collection of interest in excess of the maximum rate allowed by applicable law. If any excess of interest is provided for herein, or shall be adjudicated to be so provided in this Agreement, the provisions of this paragraph shall govern and prevail, and neither you nor your Controlling Principals shall be obligated to pay the excess amount of such interest. If for any reason interest in excess of the maximum rate allowed by applicable law shall be deemed charged, required or permitted, any such excess shall be applied as a payment and reduction of any other amounts which may be due and owing hereunder, and if no such amounts are due and owing hereunder then such excess shall be repaid to the party that paid such interest.

4.7 Definition of Gross Sales

"Gross Sales" shall mean the total selling price of all services and products and all income of every other kind and nature related to the Restaurant, whether for cash or credit and regardless of collection in the case of credit. If a cash shortage occurs, the amount of Gross Sales will be determined based on the records of the point of sale system and any cash shortage will not be considered in the determination. Gross Sales expressly excludes taxes collected from your customers and paid to the appropriate taxing authority and customer refunds or adjustments.

4.8 Insufficient Funds Fees

If your account does not have sufficient funds to allow us to debit the required payments, you will be liable to pay us an insufficient funds fee of One Hundred Dollars ($100). This fee is in addition to interest

on any overdue amount, as described in Section 4.6 above, and any fees charged by your bank. If you incur three (3) insufficient funds fees within any twelve (12) month period, we may terminate this Agreement without providing you the opportunity to cure the default.

4.9 Payment of Additional Fees

You shall pay such other fees or amounts described in this Agreement.

ARTICLE 5
OUR OBLIGATIONS

We agree to provide the services described below with regard to the Restaurant:

5.1 Site Selection Guidelines

We will provide our written site selection guidelines and such site selection assistance as we may deem advisable.

5.2 On-Site Evaluation

We may, in our discretion, conduct one (1) on-site evaluation of a site that you propose to us for your Restaurant, provided that we have received all required information and materials concerning such site prepared pursuant to Article 2.

5.3 Design Plans

We will provide you, on a loan basis, one (1) set of prototypical architectural and design plans and specifications for a Restaurant. You shall, at your expense, have such architectural and design plans and specifications adapted for construction of the Restaurant in accordance with Article 2 using an architect or design that we have approved or designated.

5.4 Confidential Operations Manual

On loan, one (1) set of Confidential Operations Manuals and such other manuals and written materials as we shall have developed for use in the Franchised Business (as the same may be revised by us from time to time, the "Manuals"), as more fully described in Section 10.1. The Manuals may, in our discretion, be provided electronically or via a secure intranet website for all Early Bird Restaurants in the System. You acknowledge that you are responsible for maintaining the confidentiality and security of any electronic access credentials provided to you.

5.5 Visits and Evaluations

Franchisor shall have the right to conduct visits to the Franchisee's Restaurant and evaluations of the products sold and services rendered therein from time to time as reasonably determined by Franchisor, as more fully described in Section 7.5.6.

5.6 Marketing and Promotional Materials

Certain marketing and promotional materials and information developed by us and/or our affiliate from time to time for use by you in conducting local marketing for the Restaurant at a reasonable cost to you. We shall have the right to review and approve or disapprove all marketing and promotional materials that you propose to use, pursuant to Article 8.

5.7 Management and Operations Advice

Advice and written materials concerning techniques of managing and operating the Restaurant from time to time developed by us, including new developments and improvements in Restaurant equipment, food products and the packaging and preparation thereof and menu items. Notwithstanding the foregoing, you understand and acknowledge that we reserve the right, in our sole discretion, to grant to certain Early Bird Restaurants variances from our standard menu to accommodate regional or local tastes or ingredients. Nothing in this Agreement requires us to grant to you a similar variance.

5.8 Products for Resale

From time to time and at our reasonable discretion, at a reasonable cost, make available for resale to your customers certain merchandise identifying the System, such as logoed merchandise and memorabilia, and other proprietary products in sufficient amounts to meet customer demand. We may specify that you must purchase such merchandise from us, our affiliate, or another designated supplier.

5.9 Approved Suppliers

A list of approved suppliers as described in Section 7.4 from time to time as we deem appropriate.

5.10 Initial Training Program

An initial training program for up to four (4) people, as well as other training programs in accordance with the provisions of Section 6.5.

5.11 Opening Assistance

On-site opening assistance at the Restaurant in accordance with the provisions of Section 6.5.

5.12 Brand Development Fund; Marketing Cooperatives

Establishment and administration of a brand development fund and/or marketing cooperatives in accordance with Article 8.

ARTICLE 6
YOUR AGREEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Use Commercially Reasonable Efforts

Each of you and the Controlling Principals covenant and agree that you shall make all commercially reasonable efforts to operate the Restaurant so as to achieve optimum sales.

6.2 Representations of Corporate Entity

If you are a corporation, limited liability company, or partnership, you and the Controlling Principals represent, warrant and covenant that:

6.2.1 You are duly organized, validly existing, and in good standing under the laws of the state of your formation;

6.2.2 You are duly qualified and are authorized to do business in each jurisdiction in which your business activities or the nature of the properties owned by you require such qualification;

6.2.3 Your corporate charter, operating agreement, or written partnership agreement shall at all times provide that your activities are confined exclusively to the operation of the Restaurant, unless otherwise consented to in writing by us;

6.2.4 The execution of this Agreement and the consummation of the transactions contemplated hereby are within your corporate power, if you are a corporation, or if you are a limited liability company, permitted under your operating agreement, or if you are a partnership, permitted under your written partnership agreement and have been duly authorized by you;

6.2.5 If you are a corporation or a limited liability company, copies of your articles of incorporation, bylaws, operating agreement, other governing documents, any amendments thereto, resolutions of the Board of Directors authorizing entry into and performance of this Agreement, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock of the corporation, and any other documents as may be reasonably required by us shall be furnished to us prior to the execution of this Agreement; or, if you are a partnership, copies of your written partnership agreement, other governing documents and any amendments thereto shall be furnished to us prior to the execution of this Agreement, including evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if such approval or consent is required by your written partnership agreement;

6.2.6 If you are a corporation, partnership or other form of legal entity other than an individual, the ownership interests in you are accurately and completely described in Attachment C. Further, if you are a corporation, you shall maintain at all times a current list of all owners of record and all beneficial owners of any class of voting securities in you or, if you are a partnership or other form of legal entity, you shall maintain at all times a current list of all owners of an interest in the partnership or entity. You shall immediately provide a copy of the updated list of all owners to us upon the occurrence of any change of ownership and otherwise make your list of owners available to us upon reasonable written request;

6.2.7 If you are a corporation, you shall maintain stop-transfer instructions against the transfer on your records of any of equity securities and each stock certificate representing stock of the corporation shall have conspicuously endorsed upon it a statement in a form satisfactory to us that it is held subject to all restrictions imposed upon assignments by this Agreement. If you are a partnership or limited liability company, your written agreement shall provide that ownership of an interest in the entity is held subject to all restrictions imposed upon assignments by this Agreement;

6.2.8 You must have provided us with your most recent financial statements. Such financial statements present fairly your financial position, at the dates indicated therein and with respect to you, the results of your operations and your cash flow for the years then ended. You agree that you shall maintain at all times, during the term of this Agreement, sufficient working capital, as reasonably determined by Franchisor, to fulfill your obligations under this Agreement. Upon Franchisor's request, you shall provide evidence of such working capital. Each of the financial statements mentioned above shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on your financial statements.

6.2.9 If, after the execution of this Agreement, any person ceases to qualify as one of your Principals (defined in Section 19.17) or if any individual succeeds to or otherwise comes to occupy a position which would, upon designation by us, qualify him as one of your Principals, you shall notify us within ten (10) days after any such change and, upon designation of such person by us as one of your

Principals or as a Controlling Principal, as the case may be, such person shall execute such documents and instruments (including, as applicable, this Agreement) as may be required by us to be executed by others in such positions;

6.2.10 Your Principals shall each execute and bind themselves to the confidentiality and non-competition covenants set forth in the Confidentiality and Non-Competition Agreement which forms Attachment D to this Agreement (see Sections 10.2.2 and 10.3.4). The Controlling Principals shall, jointly and severally, guarantee your performance of all of your obligations, covenants and agreements hereunder pursuant to the terms and conditions of the guaranty contained herein, and shall otherwise bind themselves to the terms of this Agreement as stated herein; and

6.2.11 You and the Controlling Principals acknowledge and agree that the representations, warranties and covenants set forth above in Sections 6.2.1 through 6.2.10 are continuing obligations of you and the Controlling Principals, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement. You and the Controlling Principals will cooperate with us in any efforts made by us to verify compliance with such representations, warranties and covenants.

6.3 Operating Principal

If you will not actively participate in the daily operation of the Restaurant franchised hereunder (such as if you are a corporate entity and/or you own multiple Restaurants), then you shall designate and retain at all times an operating principal ("Operating Principal") to direct the operation and management of the Restaurant. The Operating Principal shall be responsible for the daily operation of the Restaurant and shall be our primary contact with respect to operations matters. The Operating Principal shall, during the entire period he/she serves as Operating Principal, meet the following qualifications:

6.3.1 The Operating Principal shall satisfy our educational and business experience criteria as set forth in the Manual as defined herein or otherwise in writing by us;

6.3.2 The Operating Principal shall devote full time and best efforts to the supervision and management of the Restaurant;

6.3.3 The Operating Principal shall be an individual acceptable to us;

6.3.4 The Operating Principal shall at all times own and maintain at least a ten percent (10%) equity interest in you, free and clear of all liens, encumbrances, and restrictions; and

6.3.5 The Operating Principal shall satisfy the training requirements set forth in Section 6.5, as well as any additional or future training requirements that may be reasonably established by us. If, during the term of this Agreement, the Operating Principal is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section, you shall promptly notify us and designate a replacement within sixty (60) days after the Operating Principal ceases to serve, such replacement being subject to the same qualifications listed above (including completing all training and obtaining all certifications required by us). You shall provide for interim management of the Restaurant until such replacement is so designated, such interim management to be conducted in accordance with the terms of this Agreement. Any failure to materially comply with the requirements of this Section 6.3 shall be deemed a material event of default under Section 17.1.3(o) hereof.

6.4 General Manager

You shall designate and retain at all times a general manager ("General Manager") to direct the operation and management of the Restaurant. The General Manager shall be responsible for the daily operation of the Restaurant and may be one of the Controlling Principals. The General Manager shall, during the entire period they serve as General Manager, meet the following qualifications:

6.4.1 The General Manager shall satisfy our educational and business experience criteria as set forth in the Manuals as defined herein or otherwise in writing by us;

6.4.2 The General Manager shall devote full time and best efforts to the supervision and management of the Restaurant;

6.4.3 The General Manager shall be an individual acceptable to us; and

6.4.4 The General Manager shall satisfy the training requirements set forth in Section 6.5. If, during the term of this Agreement, the General Manager is not able to continue to serve in such capacity or no longer qualifies to act as such in accordance with this Section, you shall promptly (not later than seven (7) days after the event) notify us and designate a replacement within sixty (60) days after the General Manager ceases to serve, such replacement being subject to the same qualifications listed above (including completing all training and obtaining all certifications required by us). You shall provide for interim management of the Restaurant until such replacement is so designated, such interim management to be conducted in accordance with the terms of this Agreement. Any failure to materially comply with the requirements of this Section 6.4 shall be deemed a material event of default under Section 17.1.3(o) hereof.

6.5 Training

You agree that it is necessary to the continued operation of the System and the Restaurant that your personnel receive such training as we may reasonably require, and accordingly agree as follows:

6.5.1 Not later than thirty (30) days prior to the Opening Date, you shall ensure that your Operating Principal, your General Manager, and if you decide to train a chef and line cook (for a maximum of four (4) trainees) have completed, to our sole satisfaction, our initial training program, including classroom training and training in an operating Restaurant at such location(s) as may be designated by us in our sole discretion. If you request that we provide our initial training program to any additional trainees, you shall pay our then-current, per person training fee for each additional trainee.

We shall determine, in our sole and absolute discretion, whether a manager has satisfactorily completed initial training. If the initial training program is (a) not completed within the timeframe required by us, (b) not satisfactorily completed by any manager, or (c) if we in our reasonable business judgment, based upon the performance of the manager, determine that the training program cannot be satisfactorily completed by any such person, you shall designate a replacement to satisfactorily complete such training. Any manager subsequently designated by you shall also receive and complete such initial training. We reserve the right to charge our then-current training fee for providing our initial training program to any replacement or successor manager or other Restaurant personnel, and you shall pay such fee upon demand. You shall be responsible for any and all expenses incurred by you or your Operating Principal, your General Manager and other Restaurant personnel in connection with any initial training program, including, without limitation, costs of travel, lodging, meals and applicable wages.

6.5.2 In connection with the opening of the Restaurant, we shall provide you with a team of up to four (4) of our representatives to provide on-site opening assistance and training for up to two (2) weeks around your Restaurant opening. You shall pay to us the training fee described in Section 4.1. If this

Agreement is for your second (2nd) or later Restaurant, we reserve the right to reduce the number of our representatives that will provide opening assistance and/or the duration of such representatives' visit. If this Agreement is for your second (2nd) or later Restaurant and is for a Restaurant developed pursuant to a multi-unit operator agreement, we will determine, in our discretion, whether such opening assistance is necessary and, if it is not necessary, the training fee in Section 4.1 shall be waived.

6.5.3 Upon your request, subject to our approval in our sole discretion, or as we shall deem appropriate in our sole discretion, we shall, during the term hereof and subject to the availability of personnel, provide you with additional trained representatives who shall provide on-site remedial training and assistance to your Restaurant personnel. For this additional training and assistance, you shall pay the per diem fee then being charged to franchisees under the System for the services of such trained representatives, plus their costs of travel, lodging, and meals.

6.5.4 We reserve the right to conduct additional or refresher training programs, seminars and other related activities regarding the operation of the Restaurant. Such training programs and seminars may be offered to you, your managers or other Restaurant personnel generally, and we may designate that such training programs and seminars are mandatory for you, your Operating Principal, General Manager, or other Restaurant personnel. While we currently do not charge a fee for refresher training, you are responsible for all expenses incurred by your trainees, including but not limited to travel, lodging, meals and wages. We reserve the right to implement training fees in our sole discretion upon ninety (90) days' prior written notice to franchisees generally.

6.6 Franchisee Meetings

We reserve the right to hold meetings for all franchisees and other Early Bird Restaurant operators, which meetings shall not occur more frequently than annually. We shall not be required to hold such meetings until we believe it is prudent to do so. These meetings may be used to provide additional training, introduce new products or changes to the System, or for other reasons. We reserve the right to designate that attendance at any franchisee meeting is mandatory for you, your Operating Principal, your General Manager, and/or other Restaurant personnel. While we do not currently anticipate charging a registration or attendance fee for meetings, we reserve the right to implement such fees in our sole discretion upon sixty (60) days' prior written notice. You will pay for all expenses incurred by your attendees at the meeting, including but not limited to travel, lodging, meals, wages, and any registration or attendance fees we may implement.

6.7 Hiring Practices

You and the Controlling Principals understand that compliance by all franchisees operating under the System with our training, development and operational requirements is an essential and material element of the System and that we and franchisees operating under the System consequently expend substantial time, effort and expense in training personnel for the development and operation of their respective Restaurants. We hereby expressly disclaim any representations and warranties regarding the performance of any employee or former employee of ours, or any franchisee under the System, and we shall not be liable for any losses, of whatever nature or kind, incurred by you or any Controlling Principal in connection therewith.

6.8 Compliance with Laws

You shall comply with all requirements of federal, state and local laws, rules, regulations, and orders, including but not limited to obtaining and maintaining all appropriate licenses, permits, and certifications required by any governmental authority. You shall immediately notify Franchisor in writing of any violations, citations, investigations, complaints, or inquiries by any regulatory, governmental, or law

enforcement authorities. Failure to provide such notice within twenty-four (24) hours of your knowledge of any such matter shall constitute a material breach of this Agreement. You shall provide Franchisor with copies of all related correspondence, notices, and documents within forty-eight (48) hours of receipt.

You and your Principals agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your Principals certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your Principals otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean 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 you or your Principals, or any blocking of your or your Principals' assets under the Anti-Terrorism Laws, or any indictment, investigation, or credible allegation of violation of Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement without opportunity to cure. You acknowledge that such termination is necessary to protect the reputation and goodwill of the System and the Marks.

6.9 Compliance with All Other Obligations

You shall comply with all other requirements and perform such other obligations as provided hereunder.

ARTICLE 7
FRANCHISE OPERATIONS

7.1 Compliance with Standards

You acknowledge the importance of maintaining uniformity among all of the Restaurants and agree to comply with all of our standards, specifications, and any future updates or changes relating to the operation of the Restaurant.

7.2 Maintenance of Restaurant

You shall maintain the Restaurant in compliance with all applicable health codes and regulations and in a high degree of sanitation, repair and condition, and in connection therewith shall make such additions, alterations, repairs and replacements thereto (but no others without our prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment (including, but not limited to, point of sale or computer hardware and software systems), and décor as we may reasonably direct in order to maintain System-wide integrity and uniformity. You shall also obtain, at your cost and expense, any new or additional equipment (including point of sale or computer hardware and software systems), fixtures, supplies and other products and materials which may be reasonably required by us for you to offer and sell new menu items from the Restaurant or to provide the Restaurant services by alternative means, such as through catering or delivery arrangements. Except as may be expressly provided in the Manuals, no alterations, improvements or changes of any kind in design, equipment, signs, interior or exterior décor items, fixtures or furnishings shall be made in or about the Restaurant or its premises without our prior written approval in our sole discretion. Any alterations, improvements or changes made without our prior written approval shall be removed and restored to the prior condition at your sole expense within ten (10) days of notice from us.

7.3 Remodeling and Redecorating

To assure the continued success of the Restaurant, you shall, upon our request, remodel and/or redecorate the Restaurant premises, equipment (including point of sale or computer hardware and software

systems), signs, interior and exterior décor items, fixtures, furnishings, supplies and other products and materials required for the operation of the Restaurant to our then-current System-wide standards and specifications. We agree that we shall not request such remodeling and/or redecorating more frequently than every five (5) years during the term of this Agreement, except that: (i) if the Restaurant franchise is transferred pursuant to Article 14, we may require that the transferee remodel and/or redecorate the Restaurant premises as described herein; (ii) if we determine in our sole discretion that remodeling is necessary to comply with applicable laws, health and safety requirements, or to address material deterioration of the premises; or (iii) if we implement a system-wide remodel or refresh program that we determine is necessary to maintain competitive positioning of the System.

7.4 Approved Suppliers

You shall comply with all of our standards and specifications relating to the purchase of all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including point of sale and computer hardware and software systems) and other products used or offered for sale at the Restaurant. Except as provided in Sections 7.6 and 7.7 with respect to certain materials bearing the Marks and proprietary products, you shall obtain such items from suppliers (including manufacturers, distributors and other sources) who continue to demonstrate the ability to meet our then-current standards and specifications for food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment and other items used or offered for sale at Restaurants and who possess adequate quality controls and capacity to supply your needs promptly and reliably; and who have been approved in writing by us prior to any purchases by you from any such supplier; and who have not thereafter been disapproved by us.

If you desire to purchase, lease or use any products or other items from an unapproved supplier, you shall submit to us a written request for such approval, or shall request the supplier itself to do so, together with payment of our then-current evaluation fee. You shall not purchase or lease from any supplier until and unless such supplier has been approved in writing by us. We shall have the right to require that our representatives be permitted to inspect the proposed supplier's facilities, and that samples from the supplier be delivered, either to us or to an independent laboratory designated by us, for testing. We reserve the right, at our option, to re-inspect at any time the facilities and products of any approved supplier and to revoke our approval immediately upon the supplier's failure to continue to meet any of our then-current criteria, or for any other reason in our sole discretion. Upon notice of revocation, you shall immediately cease purchasing from such supplier and shall be responsible for any costs associated with transitioning to an approved supplier. Nothing herein shall be construed to require us to approve any particular supplier.

7.5 Operation of Restaurant in Compliance with Our Standards

To ensure that the highest degree of quality and service is maintained, you shall operate the Restaurant in strict conformity with such of our methods, standards and specifications set forth in the Manuals and as may from time to time otherwise be prescribed in writing. In particular, you also agree:

7.5.1 To sell or offer for sale all menu items, products and services required by us and in the method, manner and style of distribution prescribed by us, including, but not limited to, dine-in and take-out, only as expressly authorized by us in writing in the Manuals or otherwise in writing. You understand and acknowledge that you may not provide catering services without our prior written consent.

7.5.2 To sell and offer for sale only the menu items, products and services that have been expressly approved for sale in writing by us; to refrain from deviating from our standards and specifications without our prior written consent; and to discontinue selling and offering for sale any menu items, products or services which we may, in our sole discretion, disapprove in writing at any time. Notwithstanding the foregoing, you understand and agree that we have the right, in our sole discretion, to grant to certain Early

Bird Restaurants variances from our standard menu to accommodate regional or local tastes or ingredients, and that nothing in this Agreement requires us to grant to you a similar variance.

7.5.3 To maintain in sufficient supply and to use and sell at all times only such food and beverage items, ingredients, products, materials, merchandise, supplies and paper goods that conform to our standards and specifications; to prepare all menu items in accordance with our recipes and procedures for preparation contained in the Manuals or other written directives, including, but not limited to, the prescribed measurements of ingredients; and to refrain from deviating from our standards and specifications by the use or offer of non-conforming items or differing amounts of any items, without our prior written consent.

7.5.4 To permit us or our agents, during normal business hours, to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant, without payment therefor, in amounts reasonably necessary for testing by us or an independent laboratory to determine whether such samples meet our then-current standards and specifications. In addition to any other remedies we may have under this Agreement, we may require you to bear the cost of such testing if the supplier of the item has not previously been approved by us or if the sample fails to conform with our reasonable specifications.

7.5.5 To purchase or lease and install, at your expense, all fixtures, furnishings, equipment (including point of sale and computer hardware and software systems), décor items, signs, delivery vehicles, and related items as we may reasonably direct from time to time in the Manuals or otherwise in writing; and to refrain from installing or permitting to be installed on or about the Restaurant premises, without our prior written consent, any fixtures, furnishings, equipment, delivery vehicles, décor items, signs, games, vending machines or other items not previously approved as meeting our standards and specifications. If any of the property described above is leased by you from a third party, such lease shall be approved by us, in writing, prior to execution. Our approval shall be conditioned upon such lease containing a provision which permits any interest of yours in the lease to be assigned to us upon the termination or expiration of this Agreement and which prohibits the lessor from imposing an assignment or related fee upon us in connection with such assignment.

7.5.6 To grant us and our agents the right to enter upon the Restaurant premises and any delivery/catering vehicle, during normal business hours, for the purpose of conducting inspections; to cooperate with our representatives in such inspections by rendering such assistance as they may reasonably request; and, upon notice from us or our agents and without limiting our other rights under this Agreement, to take such steps as may be necessary to correct immediately any deficiencies detected during any such inspection. Should you, for any reason, fail to correct such deficiencies within a reasonable time as determined by us, we shall have the right and authority (without, however, any obligation to do so) to correct such deficiencies and charge you a reasonable fee for our expenses in so acting, payable by you immediately upon demand.

7.5.7 To maintain a competent, conscientious, trained staff and to take such steps as are necessary to ensure that your employees preserve good customer relations and comply with such dress code as we may reasonably prescribe from time to time.

7.5.8 To install and maintain equipment and a telecommunications line in accordance with our specifications to permit us to access and retrieve by telecommunication any information stored on a point of sale system (or other computer hardware and software) you are required to utilize at the Restaurant premises as specified in the Manuals, thereby permitting us to inspect and monitor electronically information concerning your Restaurant, Gross Sales and such other information as may be contained or stored in such equipment and software. You shall obtain and maintain Internet access and/or other means

of electronic communication, as specified by us from time to time. It shall be a material default under this Agreement if you fail to maintain such equipment, lines and communication methods in operation and accessible to us at all times throughout the term of this Agreement. We shall have access as provided herein at such times and in such manner as we shall from time to time specify.

7.5.9 To honor all credit, charge, courtesy or cash cards or other credit devices required or approved by us. You must obtain our written approval prior to honoring any previously unapproved credit, charge, courtesy or cash cards or other credit devices.

7.5.10 To 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 us, and only in the manner specified by us in the Manuals or otherwise in writing. You shall fully honor all Gift Cards that are in the form provided or approved by us regardless of whether a Gift Card was issued by you or another Early Bird Restaurant. You shall sell, issue, and redeem (without any offset against any Royalty Fees) Gift Cards in accordance with procedures and policies specified by us in the Manuals or otherwise in writing, including those relating to procedures by which you shall request reimbursement for Gift Cards issued by other Early Bird Restaurants and for making timely payment to us, other operators of Early Bird Restaurants, or a third-party service provider for Gift Cards issued from the Restaurant that are honored by us or other Early Bird Restaurant operators.

7.5.11 To issue and honor any loyalty cards that we designate or approve for the System.

7.6 Proprietary Products

You acknowledge and agree that we and our affiliates have developed and/or may develop, for use in the System certain products which are prepared from confidential proprietary recipes and which are trade secrets of us and our affiliates, and other proprietary products bearing the Marks. Because of the importance of quality and uniformity of production and the significance of such products in the System, it is to the mutual benefit of the parties that we closely control the production and distribution of such products. Accordingly, you agree that if such products become a part of the System, you shall use only our secret recipes and proprietary products and shall purchase all of your requirements for such products solely from us or from a source designated by us. You further agree to purchase from us or our designated supplier for resale to your customers certain merchandise identifying the System as we shall require, such as logoed merchandise, memorabilia and promotional products, in amounts sufficient to satisfy your customer demand.

7.7 Advertising and Promotional Materials

You shall require all advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Franchised Business), and other items which may be designated by us to bear the Marks in the form, color, location and manner prescribed by us, including, without limitation, notations about the ownership of the Marks.

7.8 Complaints

You shall process and handle all consumer complaints connected with or relating to the Restaurant, and shall promptly notify us in writing of all of the following complaints: (i) food related illnesses, (ii) environmental, safety or health violations, (iii) claims exceeding Five Hundred Dollars ($500.00), and (iv) any other material claims against or losses suffered by you. You shall maintain for our inspection any governmental or trade association inspection reports affecting the Restaurant or equipment located in the Restaurant during the term of this Agreement and for thirty (30) days after the expiration or earlier termination of this Agreement.

7.9 Power of Attorney for Telephone Listings, etc.

Upon the execution of this Agreement or at any time thereafter, you shall, at our option, execute such forms and documents as we deem necessary, including the agreements attached hereto, to appoint us as your true and lawful attorney-in-fact with full power and authority for the sole purpose of assigning to us only upon the termination or expiration of this Agreement, as required under Section 17.15: (i) all rights to the telephone numbers of the Restaurant and any related and other business listings; and (ii) Internet listings, domain names, Internet Accounts, advertising on the Internet or World Wide Web, websites, listings with search engines, e-mail addresses or any other similar listing or usages related to the Franchised Business. You agree that you have no authority to and shall not establish any website or listing on the Internet or World Wide Web without our express written consent, which consent may be denied without reason.

7.10 Power of Attorney for Taxes

Upon execution of this Agreement or at any time thereafter, you shall, at our option, execute such forms and documents as we deem necessary, including, but not limited to, Attachment F hereto, to appoint us as your true and lawful attorney-in-fact with full power and authority for the sole purpose of obtaining any and all returns and reports filed by you with any state or federal taxing authority relating to the Franchised Business.

7.11 Vehicles

Any vehicle used by you to deliver Restaurant products and services to customers, should we authorize you to do so, shall meet our standards with respect to appearance and ability to satisfy the requirements imposed on you hereunder. You shall place such signs and décor items on the vehicle as we reasonably require, shall ensure that such vehicle is properly licensed and insured, and shall at all times keep such vehicle clean and in good working order. You shall not engage or utilize any individual in the operation of a motor vehicle in connection with providing services hereunder who is under the age of eighteen (18) years or who does not possess a valid driver's license under the laws of the state in which you provide such services. You shall require each such individual to comply with all laws, regulations and rules of the road and to use due care and caution in the operation and maintenance of motor vehicles. Except as noted above, we do not set forth any standards or exercise control over any motor vehicle utilized by you.

7.12 Unapproved Products and Services

In the event you sell any food, beverage, products, novelty items, clothing, souvenirs or perform any services that we have not prescribed, approved or authorized, you shall, immediately upon notice from us: (i) cease and desist offering or providing the unauthorized or unapproved food, beverage, product, premium, novelty item, clothing, souvenir or from performing such services and (ii) pay to us, on demand, a prohibited product or service fine equal to Two Hundred Fifty Dollars ($250) per day for each day such unauthorized or unapproved food, beverage, product, premium, novelty item, clothing, souvenir or service is offered or provided by you after written notice from us. The prohibited product or service fine shall be in addition to all other remedies available to us under this Agreement or at law.

7.13 Customer Surveys

You shall participate in all customer surveys and satisfaction audits, which may require that you provide discounted or complimentary products, provided that such discounted or complimentary sales shall not be included in the Gross Sales of the Restaurant. Additionally, you shall participate in any complaint resolution and other programs as we may reasonably establish for the System, which programs may include, without limitation, providing discounts or refunds to customers.

7.14 Mystery Shopper Service

We may designate an independent evaluation service to conduct a "mystery shopper" quality control and evaluation program with respect to Restaurants. You agree that the Restaurant will participate in such mystery shopper program, as prescribed and required by us, provided that Restaurants owned by us, our affiliates and our franchisees also will participate in such program to the extent we have the right to require such participation, and you further agree to pay all fees related to such mystery shopper program.

7.15 Pricing

We may advise you in writing, from time to time and where permitted by applicable law, concerning the maximum prices which you should charge your customers for menu items, products and services provided or sold under the System. Any such advice, if given at all, will be binding on you and you agree to comply with our pricing guidelines. Nothing contained herein shall be deemed a representation by us that if you follow such guidelines you will, in fact, generate or optimize profits. You are obligated to inform us of all prices charged for services and products sold by you and to inform us of any modifications of your prices.

7.16 Minimum Sales Requirement

Beginning in your thirteenth (13th) month of operation, you must achieve or exceed at least one million five hundred thousand dollars ($1,500,000) in annual Gross Sales. If you fail to achieve and maintain the minimum sales requirements specified above for any consecutive twelve (12) month period, you will be in default under this Agreement and we will have the right to terminate the Franchise Agreement, in our discretion, after providing written notice and a thirty (30) day opportunity to present a remedial business plan for our approval.

ARTICLE 8
MARKETING AND PROMOTION

Recognizing the value of marketing and the importance of the standardization of marketing programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

8.1 Participation in Marketing

We may from time to time develop and create marketing and sales promotion programs designed to promote and enhance the collective success of all Restaurants operating under the System. You shall participate in all such marketing and sales promotion programs in accordance with the terms and conditions established by us for each program. In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by us shall be final and binding upon you.

8.2 Local Marketing

In addition to the ongoing marketing contributions set forth herein and, subject to any allocation of your expenditures for local marketing to a Cooperative as described in Section 8.4, you shall spend each month throughout the term of this Agreement an amount equal to up to two percent (2%) of Gross Sales on marketing and promotion of your Restaurant in your Territory ("Local Marketing"); provided, however, that we may require you to spend up to five percent (5%) of Gross Sales on Local Marketing upon written notice to you. We reserve the right, in our sole discretion and upon written notice to you, to require that some or all of your Local Marketing expenditures be paid directly to us. In such event, we will work with

our preferred marketing agency to conduct advertising and promotional activities within your Territory on your behalf.

Notwithstanding the foregoing, if your Restaurant participates in a Cooperative, as described in Section 8.4 below, any amount you contribute to the Cooperative will count toward your Local Marketing requirement; provided, however, that if your Cooperative contributions are less than your total Local Marketing obligation, you shall spend the difference on additional local marketing for your Restaurant or pay such difference to us as directed pursuant to Section 8.2 above. You shall submit to us, within fifteen (15) days of our request, detailed advertising expenditure reports accurately reflecting your Local Marketing expenditures, including original receipts, invoices, verification copies of all marketing materials used, proof of payment, media schedules, circulation or audience data, and any other documentation or information that we require to verify compliance with your Local Marketing obligations. Your failure to timely provide such reports and documentation shall constitute a material breach of this Agreement.

8.3 Brand Development Fund

We have established and administer a Brand Development Fund for the purpose of advertising the System on a regional or national basis (the "Brand Development Fund"). You agree to contribute to the Brand Development Fund as described in Section 4.4 above. You agree that the Brand Development Fund shall be maintained and administered by us or our designee as follows:

8.3.1 We shall direct all marketing programs and shall have sole and absolute discretion to approve or disapprove the creative concepts, materials, media, strategies, timing, geographic focus, and allocation used in such programs and the placement and allocation thereof. You agree and acknowledge that the Brand Development Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Restaurants operating under the System, and that we have no fiduciary obligation to you with respect to the Brand Development Fund. We and our affiliates shall, with respect to Restaurants operated by us or our affiliates, contribute to the Brand Development Fund on the same basis as you. In administering the Brand Development Fund, we and our designees undertake no obligation to make expenditures for you which are equivalent or proportionate to your contribution or to ensure that any particular franchisee or geographic area benefits directly or *pro rata* from the placement of marketing. We shall be entitled to reimbursement from the Brand Development Fund for all of our reasonable direct and indirect costs and expenses in managing, administering, and directing the Brand Development Fund, including without limitation salaries and benefits of personnel, overhead, administrative costs, and professional fees.

8.3.2 You agree that the Brand Development Fund may be used to satisfy any and all costs of maintaining, administering, directing and preparing marketing and brand development activities (including, without limitation, the cost of preparing and conducting television, radio, magazine and newspaper advertising campaigns; digital advertising; direct mail and outdoor billboard advertising; internet and mobile marketing; search engine optimization and marketing; product research and development; public relations activities; market research and consumer testing; brand positioning studies; employing advertising agencies, public relations firms, consultants, and other professionals to assist therein; menu and product development; development and maintenance of our website and mobile applications; conducting social media initiatives; promotional materials and campaigns; sponsorships and event marketing; costs of our personnel and other departmental costs for advertising and marketing that is internally administered or prepared by us; technology platforms and tools used for marketing purposes; and any other marketing, advertising, or brand development activities we deem appropriate). All sums paid by you to the Brand Development Fund shall be maintained in a separate account but may be commingled with our general funds, will be accounted for separately by us, and may be used to defray all of our reasonable expenses, costs, and overhead, as we may incur in activities related to the administration, direction, or

management of the Brand Development Fund and advertising programs for franchisees and the System. The Brand Development Fund and its earnings shall not otherwise inure to our benefit except as expressly provided in this Agreement. The Brand Development Fund is operated as a conduit for collecting and expending the Brand Development Fees as outlined above and for the purposes described in this Section.

8.3.3 A statement of the operations of the Brand Development Fund shall be prepared annually by us and shall be made available to you upon request. This statement of operations may be unaudited.

8.3.4 Any monies remaining in the Brand Development Fund at the end of any year will carry over to the next year. Although the Brand Development Fund is intended to be of perpetual duration, we may terminate the Brand Development Fund. The Brand Development Fund shall not be terminated, however, until all monies in the Brand Development Fund have been expended for marketing or promotional purposes or returned to contributing Franchised Businesses or those operated by us, without interest, on the basis of their respective contributions.

8.3.5 If we elect to terminate the Brand Development Fund, we may, in our sole discretion, reinstate the Brand Development Fund at any time. If we so choose to reinstate the Brand Development Fund, said reinstated Brand Development Fund shall be operated as described herein.

8.3.6 Notwithstanding the foregoing, money in the Brand Development Fund can be used to produce commercials and ad layout templates that you must adapt for your Restaurant and use in local advertising, at your expense. The Brand Development Fund may also develop new menus and table tents for use by all Early Bird Restaurants in the System, and we may designate that our approved supplier will automatically ship these items to you, at your expense, when they are to be used.

8.4 Cooperative Marketing Funds

We may, in our discretion, create a regional marketing cooperative ("Cooperative") in any area, or we may approve the creation of such a Cooperative by franchisees in the System, and establish the rules and regulations therefor. Immediately upon our request, you must become a member of the Cooperative for the area in which some or all of your Territory is located. In no event may the Restaurant be required to be a member of more than one Cooperative. The Cooperative must be governed in the manner we prescribe. The Cooperative may require each of its members to make contributions thereto in an amount as agreed upon by the Cooperative members. You shall contribute such amounts at the times and in the manner as determined by majority vote of the Cooperative members. Any funds contributed to a Cooperative will be credited against your Local Marketing obligation; provided, however, that if your contributions to a Cooperative are less than your Local Marketing requirement, you shall nevertheless spend the difference locally. The following provisions apply to each Cooperative:

8.4.1 the Cooperative must be organized and governed in a form and manner, and commence operation on a date, that we approve in advance in writing;

8.4.2 the Cooperative must be organized for the exclusive purpose of administering advertising programs and developing, subject to our approval, standardized promotional materials for the members' use in local advertising within the Cooperative's area;

8.4.3 the Cooperative may adopt its own rules and procedures, but such rules or procedures must be approved by us and must not restrict or expand your rights or obligations under this Agreement;

8.4.4 except as otherwise provided in this Agreement, and subject to our approval and provided proper notice of the meeting and proposed actions has been given at least 14 days in advance, any lawful action of the Cooperative (including, without limitation, imposing assessments for local advertising) at a meeting attended by members possessing more than fifty percent (50%) of the total voting power in the Cooperative is binding upon you if approved by members possessing more than fifty percent (50%) of the total voting power possessed by members in attendance, with each Restaurant having one (1) vote, but no franchisee (or commonly controlled group of franchisees) may have more than twenty-five percent (25%) of the vote in the Cooperative regardless of the number of franchised businesses owned;

8.4.5 without our prior written approval, the Cooperative may not use, nor furnish to its members, any advertising or promotional plans or materials; all such plans and materials must be submitted to us in accordance with the procedure set forth in Section 8.5;

8.4.6 Cooperative may require its members to periodically contribute to it in such amounts as it determines;

8.4.7 no later than the fifteenth (15^{th}) day of each month, each member/franchisee must submit its contribution under Section 8.4.6 for the preceding calendar month to the Cooperative, together with such other statements or reports as we or the Cooperative may require, with our prior written approval; and

8.4.8 if an impasse occurs because of a Cooperative members' inability or failure, within forty-five (45) days, to resolve any issue affecting the Cooperative's establishment or effective functioning, upon request of any Cooperative member, that issue must be submitted to us for consideration, and our resolution of such issue is final and binding on all Cooperative members.

8.5 Conduct of Marketing; Our Approval

All marketing and promotion by you in any medium shall be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Manuals or otherwise. You shall obtain our approval of all marketing and promotional plans and materials prior to use if such plans and materials have not been prepared by us or previously approved by us during the twelve (12) months prior to their proposed use. You shall submit such unapproved plans and materials to us not later than ten (10) days prior to the date you intend to use them. If we do not provide our specific disapproval of the proposed materials within ten (10) business days of receipt, the proposed materials are deemed to be approved. Any plans and materials that you submit to us for our review will become our property and there will be no restriction on our use or dissemination of such materials. You shall not advertise or use the Marks in any fashion on the Internet, World Wide Web or via other means of advertising through telecommunication without our express written consent.

We reserve the right to require you to include certain language on all marketing to be used locally by you or to be used by a Cooperative, including, but not limited to, "Franchises Available" and reference to our telephone number and/or website.

8.6 Grand Opening Marketing

You agree to conduct a grand opening advertising and promotional program ("Grand Opening Program") beginning ninety (90) days prior to your scheduled opening and ending sixty (60) days following the opening of the Franchised Business. The Grand Opening Program must target prospective customers throughout the Territory and meet the standards we establish from time to time. You must spend a minimum of ten thousand dollars ($10,000) on the Grand Opening Program. The amounts you spend on the Grand Opening Program are in addition to the Brand Development Fund Fees that you must pay to us. Upon

request by us, you must provide us with a report itemizing the amounts you spent on the Grand Opening Program. If you fail to spend the minimum required amount on the Grand Opening Program, we have the right to collect from you the difference between what you actually spent and the minimum required expenditure and contribute such difference to the Brand Development Fund (defined below).

8.7 Websites

As used in this Agreement, the term "Website" means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages. In connection with any Website, you agree to the following:

8.7.1 We shall have the right, but not the obligation, to establish and maintain a Website, which may, without limitation, promote the Marks, Early Bird Restaurants and any or all of the products offered at Restaurants, the franchising of Early Bird Restaurants, and/or the System. We shall have the sole right to control all aspects of the Website, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage; we shall also have the right to discontinue operation of the Website.

8.7.2 We shall have the right, but not the obligation, to designate one or more web page(s) to describe you and/or the Franchised Business, with such web page(s) to be located within our Website. You shall comply with our policies with respect to the creation, maintenance and content of any such web pages; and we shall have the right to refuse to post and/or discontinue posting any content and/or the operation of any web page.

8.7.3 You shall not establish a separate Website related to the Marks or the System without our prior written approval (which we shall not be obligated to provide). If approved to establish such a Website, you shall comply with our policies, standards and specifications with respect to the creation, maintenance and content of any such Website. You specifically acknowledge and agree that any such Website owned or maintained by you or for your benefit shall be deemed "advertising" under this Agreement, and will be subject to (among other things) our approval under this Article 8.

8.7.4 You are not permitted to promote your Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, LinkedIn or Twitter, without our prior written consent. We will control all social media initiatives. You must comply with our System standards regarding the use of social media in your Franchised Business's operation, including prohibitions on your and the Franchised Business's employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us ("social media" includes personal blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Instagram, Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf

ARTICLE 9
MARKS

9.1 Use of Marks

We grant you the right to use the Marks during the term of this Agreement in accordance with the System and related standards and specifications.

9.2 Ownership of Marks; Limited License

You expressly understand and acknowledge that:

9.2.1 We are the owner or the licensee of the owner of all right, title and interest in and to the Marks and the goodwill associated with and symbolized by them. All references herein to our right, title and interest in the Marks shall be deemed to include the owner's right, title and interest in the Marks.

9.2.2 Neither you nor any Controlling Principal shall take any action that would prejudice or interfere with the validity of our rights with respect to the Marks. Nothing in this Agreement shall give you any right, title, or interest in or to any of the Marks or any service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Marks and the System in accordance with the terms and conditions of this Agreement for the operation of the Restaurant and only at or from its accepted location or in approved advertising related to the Restaurant.

9.2.3 You understand and agree that the limited license to use the Marks granted hereby applies only to such Marks as are designated by us, and which are not subsequently designated by us as being withdrawn from use, together with those which may hereafter be designated by us in writing. You expressly understand and agree that you are bound not to represent in any manner that you have acquired any ownership or equitable rights in any of the Marks by virtue of the limited license granted hereunder, or by virtue of your use of any of the Marks.

9.2.4 You understand and agree that any and all goodwill arising from your use of the Marks and the System shall inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the Marks.

9.2.5 You shall not contest the validity of or our interest in the Marks or assist others to contest the validity of or our interest in the Marks.

9.2.6 You acknowledge that any unauthorized use of the Marks shall constitute an infringement of our rights in the Marks and a material event of default hereunder. You agree that you shall provide us with all assignments, affidavits, documents, information and assistance we reasonably request to fully vest in us all such rights, title and interest in and to the Marks, including all such items as are reasonably requested by us to register, maintain and enforce such rights in the Marks.

9.2.7 If it becomes advisable at any time, in our discretion, to modify or discontinue use of any Mark and/or to adopt or use one or more additional or substitute proprietary marks, then you shall be obligated to comply with any such instruction by us. We shall not have any obligation in such event to reimburse you for your documented expenses of compliance. You waive any other claim arising from or relating to any Mark change, modification or substitution. We will not be liable to you for any expenses, losses or damages sustained by you as a result of any Mark addition, modification, substitution or discontinuation. You covenant not to commence or join in any litigation or other proceeding against us for any of these expenses, losses or damages. Notwithstanding the foregoing, until we are able to achieve federal registration of the Marks with the United States Patent and Trademark Office, we will reimburse your costs related to replacing signage and menus. Once the Marks are federally registered, any modification of the Marks will be at your expense.

9.3 Limitation on Use of Marks

With respect to your licensed use of the Marks pursuant to this Agreement, you further agree that:

9.3.1 Unless otherwise authorized or required by us, you shall operate and advertise the Restaurant only under the name "Early Bird" without prefix or suffix. You shall not use the Marks as part of your corporate or other legal name, and shall obtain our approval of a trade name or "d/b/a" prior to filing it with the applicable state authority.

9.3.2 During the term of this Agreement and any renewal hereof, you shall identify yourself as the independent owner of the Restaurant in conjunction with any use of the Marks, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Restaurant or any delivery vehicle as we may designate in writing.

9.3.3 You shall not use the Marks to incur any obligation or indebtedness on our behalf;

9.3.4 You shall comply with our instructions in filing and maintaining the requisite trade name or fictitious name registrations, and shall execute any documents deemed necessary by us or our counsel to obtain protection of the Marks or to maintain their continued validity and enforceability.

9.4 Notification of Infringement or Claim

You shall notify us immediately by telephone and thereafter in writing of any apparent infringement of or challenge to your use of any Mark, of any claim by any person of any rights in any Mark, and you and the Controlling Principals shall not communicate with any person other than us, our counsel and your counsel in connection with any such infringement, challenge or claim. We shall have complete discretion to take such action as we deem appropriate in connection with the foregoing, and the right to control exclusively, any settlement, litigation or Patent and Trademark Office or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Mark. You agree to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in our opinion, reasonably be necessary or advisable to protect and maintain our interests in any litigation or other proceeding or to otherwise protect and maintain the interests of us or any other interested party in the Marks. We will indemnify you and hold you harmless from and against any and all third-party claims, liabilities, costs, damages and reasonable expenses (including reasonable attorneys' fees) for which you are held liable in any proceeding arising out of your authorized use of any of the Marks (including settlement amounts), provided that the conduct of you and the Controlling Principals with respect to such proceeding and use of the Marks is in full compliance with the terms of this Agreement.

9.5 Retention of Rights by Us

The right and license of the Marks granted hereunder to you is non-exclusive and we thus have and retain the following rights, among others, subject only to the limitations of Article 1:

9.5.1 To grant other licenses for use of the Marks, in addition to those licenses already granted to existing franchisees;

9.5.2 To develop and establish other systems using the Marks or other names or marks and to grant licenses thereto without providing any rights to you; and

9.5.3 To engage, directly or indirectly, through our employees, representatives, licensees, assigns, agents and others, at wholesale, retail or otherwise, in (a) the production, distribution, license and sale of products and services, and (b) the use in connection with such production, distribution and sale, of the Marks and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by us.

ARTICLE 10
CONFIDENTIALITY AND NON-COMPETITION COVENANTS

10.1 Confidential Operations Manuals

10.1.1 To protect our reputation and goodwill and to maintain high standards of operation under the Marks, you shall conduct your business in accordance with the Manuals, other written directives which we may reasonably issue to you from time to time whether or not such directives are included in the Manuals, and any other manuals and materials created or approved for use in the operation of the Franchised Business.

10.1.2 You and the Controlling Principals shall at all times treat the Manuals, any of our written directives, and any other manuals and materials, and the information contained therein as confidential and shall maintain such information as trade secret and confidential in accordance with this Article 10. You and the Controlling Principals shall divulge and make such materials available only to such of your employees as must have access to it in order to operate the Restaurant. You and the Controlling Principals shall not at any time copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above.

10.1.3 The Manuals, written directives, other manuals and materials and any other confidential communications provided or approved by us shall at all times remain our sole property, shall at all times be kept in a secure place on the Restaurant premises, and shall be returned to us immediately upon request or upon termination or expiration of this Agreement.

10.1.4 The Manuals, any written directives, and any other manuals and materials issued by us and any modifications to such materials shall supplement and be deemed part of this Agreement.

10.1.5 We may from time to time revise the contents of the Manuals and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. You shall remove and return to us all pages of the Manual that have been replaced or updated by us. You expressly agree to comply with each new or changed standard.

10.1.6 You shall at all times ensure that the Manuals are kept current and up to date. In the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by us at our headquarters shall control.

10.2 Confidential Information

10.2.1 Neither you nor any Controlling Principal shall, during the term of this Agreement and at any time thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association, corporation, or entity, or for their own benefit following the expiration or termination of this Agreement, any confidential information, knowledge or know-how concerning the methods of operation of the Franchised Business which may be communicated to them or of which they may be apprised in connection with the operation of the Restaurant under the terms of this Agreement. You and the Controlling Principals shall divulge such confidential information only to such of your employees as must have access to it in order to operate the Restaurant. Any and all information, knowledge, know-how, techniques and any materials used in or related to the System which we provide to you in connection with this Agreement, including but not limited to the Manual, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, recipes, and the terms of this Agreement, shall be deemed confidential for purposes of this Agreement. Neither you nor the Controlling Principals shall at any time, without our prior written consent, copy, duplicate, record or

otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person. The covenants in this Section shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon you and each of the Controlling Principals.

10.2.2 You shall require and obtain the execution of covenants similar to those set forth in Section 10.2.1 from your General Manager and all other of your personnel who have received or will have access to confidential information. Such covenants shall be substantially in the form set forth in Attachment D. All of your Principals not required to sign this Agreement as a Controlling Principal also must execute such covenants.

10.2.3 If you, the Controlling Principals, the General Manager or any of your employees develop any new concept, process, product, recipe, or improvement in the operation or promotion of the Restaurant, you are required to promptly notify us and provide us with all necessary related information, without compensation. You and the Controlling Principals acknowledge and agree that any such concept, process, product, recipe, or improvement will become our sole and exclusive property, including all intellectual property rights therein (including, without limitation, all copyrights, patents, trade secrets, trademarks, and other proprietary rights), and we shall have the unrestricted right to use, modify, disclose, license, or otherwise exploit such information to other franchisees or third parties as we determine to be appropriate in our sole and absolute discretion, without any compensation, royalty, or other payment to you or the Controlling Principals. You and the Controlling Principals hereby irrevocably assign and transfer to us all right, title, and interest in and to any such concept, process, product, recipe, or improvement, and agree to execute any documents and take any actions reasonably necessary to perfect our ownership rights therein.

10.3 Non-Competition

10.3.1 You and the Controlling Principals specifically acknowledge that, pursuant to this Agreement, you and the Controlling Principals will receive valuable training, trade secrets and confidential information, including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Controlling Principals and your managers and employees. You and the Controlling Principals acknowledge that such specialized training, trade secrets and confidential information provide a competitive advantage and will be valuable to them in the development and operation of the Restaurant, and that gaining access to such specialized training, trade secrets and confidential information is, therefore, a primary reason why they are entering into this Agreement. In consideration for such specialized training, trade secrets and confidential information (including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of us and the System which are beyond the present skills and experience of you and the Controlling Principals and your managers and employees), you and the Controlling Principals covenant that with respect to you, during the term of this Agreement (or with respect to each of the Controlling Principals, during the term of this Agreement for so long as such individual or entity satisfies the definition of "Controlling Principals" as described in Section 19.17 of this Agreement), except as otherwise approved in writing by us, which approval may be withheld or denied in our sole and absolute discretion, neither you nor any of the Controlling Principals shall, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person(s), partnership or corporation:

(a) Divert, or attempt to divert, any business or customer of the Franchised Business to any competitor, by any means, direct or indirect, or engage in any act, directly or indirectly, that could be injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Own, maintain, operate, engage in, be employed by, or have any financial or beneficial interest in (including any interest in corporations, partnerships, limited liability companies, trusts, unincorporated associations or joint ventures), advise, assist, make loans to, provide services to, or otherwise participate in, any business located within the United States, its territories, states or commonwealths, or any other country, province, state or geographic area in which we have used, sought registration of or registered the same or similar Marks or operates or licenses others to operate a business under the same or similar Marks, which business is of a character and concept similar to the Restaurant, including a food service business which offers and sells the same or substantially similar food products or provides the same or substantially similar services (a "Competitive Business") without our prior written consent, which consent may be withheld in our sole and absolute discretion.

10.3.2 With respect to you, and for a continuous uninterrupted period commencing upon the expiration, termination of, or transfer of all of your interest in, this Agreement (or, with respect to each of the Controlling Principals, commencing upon the earlier of: (i) the expiration, termination of, or transfer of all of your interest in, this Agreement or (ii) the time such individual or entity ceases to satisfy the definition of "Controlling Principals" as described in Section 19.17 of this Agreement) and continuing for two (2) years thereafter, except as otherwise approved in our sole and absolute discretion, neither you, nor any of the Controlling Principals shall, directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, persons, partnership, or corporation:

(a) Divert, or attempt to divert, any business or customer of the Franchised Business hereunder to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Own, maintain, operate, engage in, or have any financial or beneficial interest in (including any interest in corporations, partnerships, trusts, unincorporated associations or joint ventures), advise, assist or make loans to any Competitive Business, which business is, or is intended to be, located within a twenty (20) mile radius of the location of any Restaurant in the System.

10.3.3 The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect our goodwill or other business interests. The parties agree that each of the covenants herein shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you and the Controlling Principals expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section.

(a) You and the Controlling Principals understand and acknowledge that we shall have the right, in our sole and absolute discretion, to reduce the scope of any covenant set forth in this Section 10.3, or any portion thereof, without their consent, effective immediately upon notice to you; and you and the Controlling Principals agree that they shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 19.2 hereof.

(b) You and the Controlling Principals expressly agree that the existence of any claims they may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section.

(c) Sections 10.3.1(b) and 10.3.2(c) shall not apply to ownership of less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly held corporation.

10.3.4 You shall require and obtain execution of covenants similar to those set forth in this Section 10.3 (including covenants applicable upon the termination of a person's employment with you) from your General Manager and all other of your personnel who have received or will have access to training from us. Such covenants shall be substantially in the form set forth in Attachment D. All of your Principals not required to sign this Agreement as a Controlling Principal also must execute such covenants. Notwithstanding the foregoing, we reserve the right, in our sole discretion, to decrease the period of time or geographic scope of the non-competition covenant set forth in Attachment D or eliminate such non-competition covenant altogether for any party that is required to execute such agreement under this Section 10.3.4.

10.4 Failure to Comply

You and the Controlling Principals acknowledge that any failure to comply with the requirements of this Section 10 shall constitute a material event of default under Article 17 hereof. You and the Controlling Principals acknowledge and agree that a violation of the terms of this Section 10 would result in irreparable injury to us for which no adequate remedy at law may be available, and you and the Controlling Principals accordingly consent to the issuance of an injunction or other equitable relief prohibiting any conduct by you or the Controlling Principals in violation of the terms of this Section 10, without the requirement of posting a bond or proving actual damages. You and the Controlling Principals agree to pay all court costs, reasonable attorneys' fees, and other expenses incurred by us in connection with the enforcement of this Section 10, including payment of all costs and expenses for obtaining specific performance of, or an injunction or other equitable relief against violation of, the requirements of such Section, regardless of whether litigation is commenced or a judgment is obtained. The prevailing party in any such action shall be entitled to recover all such costs and fees from the non-prevailing party.

ARTICLE 11
BOOKS AND RECORDS

11.1 Books and Records

You shall maintain during the term of this Agreement, and shall preserve for at least three (3) years from the dates of their preparation, full, complete and accurate books, records and accounts, including, but not limited to, sales slips, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and ledgers, records of EFT transactions, and backup or archived records of information maintained on any computer system in accordance with generally accepted accounting principles and in the form and manner prescribed by us from time to time in the Manuals or otherwise in writing.

11.2 Reports

In addition to the Royalty Report required by Article 4 hereof, you shall comply with the following reporting obligations:

11.2.1 You shall, at your expense, submit to us, in the form prescribed by us (we may modify the required form from time to time), a report of Gross Sales and a profit and loss statement for each month (which may be unaudited) for you within fifteen (15) days after the end of each month during the term hereof. Each such statement shall be signed by your treasurer or chief financial officer or comparable officer attesting that it is true, complete and correct;

11.2.2 You shall, at your expense, provide to us a complete annual financial statement (which shall be reviewed) prepared by an independent certified public accountant within ninety (90) days after the end of each fiscal year during the term hereof showing the results of the Restaurant's operations during such fiscal year. We reserve the right to require such financial statements to be audited by an independent certified public accountant satisfactory to us at your cost and expense if an inspection discloses an understatement of two percent (2%) or more in any report, pursuant to Section 11.3; and

11.2.3 You shall also submit to us, for review or auditing, such other forms, reports, records, information and data as we may reasonably designate, and which pertain to the Franchised Business, in the form and at the times and places reasonably required by us, upon request and as specified from time to time in writing.

11.3 Inspections; Audits

We or our designees shall have the right, during normal business hours, to review, audit, examine and copy any or all of your books and records as we may require at the Restaurant. You shall make such books and records available to us or our designees immediately upon request. If any required royalty or other payments due to us are delinquent, or if an inspection should reveal that such payments have been understated in any report to us, then you shall immediately pay to us the amount overdue or understated upon demand with interest determined in accordance with the provisions of Section 4.5. If an inspection discloses an understatement in any report of two percent (2%) or more, you shall, in addition, reimburse us for all costs and expenses connected with the inspection (including, without limitation, reasonable accounting and attorneys' fees). These remedies shall be in addition to any other remedies we may have at law or in equity.

11.4 Correction of Errors

You understand and agree that our receipt or acceptance of any of the statements furnished or royalties paid to us (or the cashing of any royalty checks or processing of any EFTs) shall not preclude us from questioning the correctness thereof at any time and, in the event that any inconsistencies or mistakes are discovered in such statements or payments, they shall immediately be rectified by you and the appropriate payment shall be made by you.

11.5 Authorization of Us

You hereby irrevocably authorize (and agree to execute any other documents deemed necessary to effect such authorization, including specific authorizations directed to individual third parties) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors, landlords, credit card processors, point-of-sale system providers, and other persons or entities with which you do business to disclose to us any requested financial information, transaction data, or other information in their possession relating to you, the Restaurant, or the Franchised Business. You authorize us to disclose data from your reports and any other information relating to the Franchised Business, if we determine, in our sole and absolute discretion, that such disclosure is necessary or advisable, which disclosure may include disclosure to prospective or existing franchisees, lenders, investors, potential purchasers of our business, governmental authorities, or other third parties. This authorization shall survive the expiration or termination of this Agreement.

11.6 We are Attorney-in-Fact

Notwithstanding any forms and documents which may have been executed by you under Section 7.10, you hereby appoint us as your true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all returns and reports filed by you with any state and/or federal taxing

authority pertaining to the Franchised Business. This power of attorney shall survive the expiration or termination of this Agreement.

ARTICLE 12
INSURANCE

12.1 You shall procure, upon execution of this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement (and for such period thereafter as is necessary to provide the coverages required hereunder for events having occurred during the term of this Agreement) at your expense, an insurance policy or policies protecting you and us, our successors and assigns, our affiliates, and our respective officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of each of them against any demand or claim with respect to personal injury, death or property damage, or any loss, liability or expense whatsoever arising or occurring upon or in connection with the Restaurant.

12.2 Such policy or policies shall be written by a responsible, duly licensed carrier or carriers reasonably acceptable to us and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by us from time to time), in accordance with standards and specifications set forth in writing, any insurance that you must have according to the terms of the lease for the Accepted Location and as required by applicable law. Currently you must maintain the following insurance: (a) general liability insurance with limits not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate; (b) personal injury insurance with limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate; (c) liquor liability insurance with limits not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate; (d) automobile liability insurance in the amount of One Million Dollars ($1,000,000) combined single limit and including hired and non-hired vehicles; (e) property damage insurance with coverage at replacement cost; (f) business interruption insurance in an amount to cover expenses for at least ninety (90) days); (g) product liability insurance with limits of not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate; (h) worker's compensation with limits required by applicable state law, but not less than Five Hundred Thousand Dollars ($500,000); (i) any insurance required by the terms of lease (or mortgage) for the Restaurant; and (j) any other insurance we may require in the future.

12.3 Your obligation to obtain and maintain the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by us, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Article 15 of this Agreement.

12.4 All general liability and property damage policies shall contain a provision that we, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss occasioned to us or our servants, agents or employees by reason of the negligence of you or your servants, agents or employees.

12.5 Not later than thirty (30) days prior to the Opening Date, and thereafter within thirty (30) days prior to the expiration of any such policy, you shall deliver to us Certificates of Insurance evidencing the existence and continuation of proper coverage with limits not less than those required hereunder. In addition, if requested by us, you shall deliver to us a copy of the insurance policy or policies required hereunder. All insurance policies required hereunder, with the exception of workers' compensation, shall name us, our affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional named insureds, and shall

expressly provide that any interest of same therein shall not be affected by any breach by you of any policy provisions. Further, all insurance policies required hereunder shall expressly provide that no less than thirty (30) days' prior written notice shall be given to us in the event of a material alteration to or cancellation of the policies.

12.6 Should you, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by us in writing, we shall have the right and authority (without, however, any obligation to do so) immediately to procure such insurance and to charge same to you, which charges shall be payable by you immediately upon notice together with a ten percent (10%) administrative fee. The foregoing remedies shall be in addition to any other remedies we may have at law or in equity.

12.7 Upon written request by us, you shall procure from your insurance carrier or carriers a report of claims made and reserves set against your insurance policies.

12.8 We reserve the right to modify the types of insurance coverages and amounts of coverage that you are required to maintain for the Restaurant, and you agree to comply with any such changes, at your expense.

ARTICLE 13
DEBTS AND TAXES

13.1 Taxes

You shall promptly pay when due all Taxes (as defined below), levied or assessed, and all accounts and other indebtedness of every kind incurred by you in the conduct of the Franchised Business under this Agreement. Without limiting the provisions of Article 15, you shall be solely liable for the payment of all Taxes and shall indemnify us for the full amount of all such Taxes and for any liability (including penalties, interest and expenses) arising from or concerning the payment of Taxes, whether such Taxes were correctly or legally asserted or not. You shall submit a copy of all tax filings sent to federal, state and local tax authorities to us within ten (10) business days after such filing has been made with the appropriate taxing authority.

The term "Taxes" means any present or future taxes, levies, imposts, duties or other charges of whatever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, or the exercise of rights granted pursuant to this Agreement.

13.2 Payments to Us

Each payment to be made to us hereunder shall be made free and clear and without deduction for any Taxes.

13.3 Tax Disputes

In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with the procedures of the taxing authority or applicable law. However, in no event shall you permit a tax sale or seizure by levy of execution or similar writ or warrant or attachment by a creditor to occur against the premises of the Franchised Business or any improvements thereon.

13.4 Compliance with Laws

You shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the Franchised Business, including, without limitation, licenses to do business, fictitious name registrations, sales tax permits, fire clearances, health permits, certificates of occupancy and any permits, certificates or licenses required by any environmental law, rule or regulation.

13.5 Notification of Action or Proceeding

You shall notify and deliver to us, in writing within five (5) business days of the commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect the operation or financial condition of the Franchised Business. Such notification shall include copies of all relevant documentation and a detailed description of the matter.

ARTICLE 14
TRANSFER OF INTEREST

14.1 Transfer by Us

We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

You expressly affirm and agree that we may sell, transfer, or otherwise dispose of our assets, our rights to the Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of "Early Bird Corporate, LLC" as Franchisor. Nothing contained in this Agreement shall require us to remain in the restaurant business or to offer the same products and services, whether or not bearing the Marks, in the event that we exercise our right to assign our rights in this Agreement.

14.2 Transfer by You

14.2.1 You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have granted rights under this Agreement in reliance on your and the Controlling Principals' business skill, financial capacity, and personal character. Accordingly, neither you nor any Controlling Principal, nor any successor or assignee of you or any Controlling Principal, shall sell, assign (including but not limited to by operation of law, such as an assignment under bankruptcy or insolvency laws, in connection with a merger, divorce or otherwise), transfer, convey, give away, pledge, mortgage or otherwise encumber any direct or indirect interest in this Agreement, in the Restaurant and/or any of the Restaurant's material assets (other than in connection with replacing, upgrading or otherwise dealing with such assets as required or permitted by this Agreement), in you or in any Controlling Principal that is an entity, in each case without our prior written consent. Any purported assignment or transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material event of default under this Agreement.

14.2.2 If you wish to transfer all or part of your interest in the Restaurant, any of the Restaurant's material assets (except as provided in Section 14.2.1 above) or this Agreement, or if you or a Controlling Principal wishes to transfer or permit a transfer of any ownership interest in you or in a Controlling Principal that is an entity, then in each such case (any or all of which are referred to in this Article 14 as a "Restricted Transfer"), transferor and the proposed transferee shall apply to us for our consent. We shall not unreasonably withhold our consent to a Restricted Transfer. We may, in our sole discretion, require any or all of the following as conditions of our approval:

(a) All of the accrued monetary obligations of you or any of your affiliates and all other outstanding obligations to us arising under this Agreement or any other agreement shall have been satisfied in a timely manner and you shall have satisfied all trade accounts and other debts, of whatever nature or kind, in a timely manner;

(b) You and your affiliates shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between you or any of your affiliates and us or any of our affiliates at the time of transaction.

(c) The transferor and its principals (if applicable) shall have executed a general release, in a form reasonably satisfactory to us, of any and all claims against us, our officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, in their corporate and individual capacities, including, without limitation, claims arising under this Agreement and federal, state and local laws, rules and regulations;

(d) The transferee shall demonstrate to our reasonable satisfaction that transferee meets the criteria considered by us when reviewing a prospective franchisee's application for a franchise, including, but not limited to, our educational, managerial and business standards; transferee's good moral character, business reputation and credit rating; transferee's aptitude and ability to conduct the business franchised herein (as may be evidenced by prior related business experience or otherwise); transferee's financial resources and capital for operation of the business; and the geographic proximity and number of other Restaurants owned or operated by transferee;

(e) The transferee shall enter into a written agreement, in a form reasonably satisfactory to us, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Agreement; and, if transferee is a corporation or a partnership, transferee's shareholders, partners or other investors, as applicable, shall execute such agreement as transferee's principals and guarantee the performance of all such obligations, covenants and agreements;

(f) The transferee shall execute, for a term ending on the expiration date of this Agreement and with such renewal terms as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and other ancillary agreements as we may require for the Restaurant, which agreements shall supersede this Agreement and its ancillary documents in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, the then-current Royalty Fee, Brand Development Fee, technology fees, and any other fees or obligations; provided, however, that the transferee shall not be required to pay any initial franchise fee;

(g) The transferee, at its expense, shall renovate, modernize and otherwise upgrade the Restaurant and, if applicable, any delivery vehicles, equipment, technology systems, and all other assets used in connection with the Restaurant to conform to the then-current standards and

specifications of the System, and shall complete the upgrading and other requirements which conform to the System-wide standards within the time period specified by us in our sole discretion;

(h) The transferor shall remain liable for all of the obligations to us in connection with the Restaurant incurred prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by us to evidence such liability;

(i) At the transferee's expense, the transferee, the transferee's Operating Principal, General Manager and/or any other applicable Restaurant personnel shall complete any training programs then in effect for franchisees of Restaurants upon such terms and conditions as we may reasonably require;

(j) You shall pay to us a transfer fee equal to Twenty Thousand Dollars ($20,000);

(k) If the transferee is a corporation, limited liability company or a partnership, the transferee shall make and will be bound by any or all of the representations, warranties and covenants set forth at Article 6 as we request. Transferee shall provide to us evidence satisfactory to us that the terms of such Section have been satisfied and are true and correct on the date of transfer.

14.2.3 You shall not grant a security interest in the Restaurant or in any of your assets without our prior written consent, which shall not be unreasonably withheld. In connection therewith, the secured party will be required by us to agree that in the event of any default by you under any documents related to the security interest, we shall have the right and option to be substituted as obligor to the secured party and to cure any default of yours.

14.2.4 You acknowledge and agree that each condition which must be met by the transferee is reasonable and necessary to assure such transferee's full performance of the obligations hereunder.

14.3 Transfer to a Corporation or Limited Liability Company

In the event the proposed transfer is to a corporation or limited liability company formed solely for the convenience of ownership, our consent may be conditioned upon any of the requirements set forth at Section 14.2.2, except that the requirements set forth at Sections 14.2.2(c), 14.2.2(d), 14.2.2(f), 14.2.2(g), 14.2.2(i), 14.2.2(j) and 14.2.2(k) shall not apply. With respect to a transfer to a corporation or limited liability company formed for the convenience of ownership, you shall be the owner of all of the voting stock or membership interest of the entity and if you are more than one (1) individual, each individual shall have the same proportionate ownership interest in the entity as he had in you prior to the transfer. All equity holders of the entity must execute personal guarantees in the form required by us. A transfer under this Section 14.3 may occur one (1) time only, unless we consent in writing to an additional transfer under this Section.

14.4 Our Right to Purchase Business

14.4.1 If you wish to transfer all or part of your interest in the Restaurant or this Agreement or if you or a Controlling Principal wish to transfer any ownership interest in you, pursuant to any bona fide offer received from a third party to purchase such interest, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the seller's interest on the same

terms and conditions offered by the third party. In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer. Our failure or refusal to exercise the option afforded by this Section 14.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14, with respect to a proposed transfer.

(a) In the case of a Restricted Transfer involving a bona fide purchase offer, then such proposed seller shall promptly notify us in writing of each such offer, and shall provide such information and documentation relating to the offer as we may require. We shall have the right and option, exercisable within thirty (30) days after receipt of such written notification and copies of all documentation required by us describing such offer, to send written notice to the seller that we intend to purchase the interest proposed to be transferred in the Restricted Transfer on the same terms and conditions offered by the proposed purchaser (the "Offer Terms"). In the event that we elect to purchase the seller's interest, closing on such purchase must occur within the latest of (i) sixty (60) days from the date of notice to the seller of the election to purchase by us, (ii) sixty (60) days from the date we receive or obtain all necessary documentation, permits and approvals, or (iii) such other date as the parties agree upon in writing. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by us as in the case of an initial offer. Our failure or refusal to exercise the option afforded by this Section 14.4 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of Article 14 with respect to a proposed transfer.

(b) Notwithstanding the provisions of Section 14.4.1(a) above, where the Restricted Transfer (alone or together with any other Restricted Transfer or event effected within the prior twenty-four (24) month period) results in a "Change of Control", we may elect, in our sole discretion, to treat the notice given pursuant to such Section 14.4.1(a) as an offer to assign to us all of your rights under this Agreement and to the Restaurant (including lease and contract rights and other assets of you and your affiliates used in connection with the Restaurant, excluding the assets of your benefit plans) (collectively, the "Restaurant Interests"). As used in this Section 14.4.1(b), Change of Control means any circumstance resulting in one or more of your Controlling Principals ceasing to be a Principal and/or the addition of any new Principal. In such case, we shall notify you of the special election provided for in this Section 14.4.1(b) at the time we exercise our option as provided in Section 14.4.1(a). The terms of such purchase shall be the same as the Offer Terms (subject to the other provisions of this Section 14.4), but the price shall be the lesser of (1) the Implied Market Price or (2) the fair market value of the Restaurant Interests, determined in a manner consistent with Section 18.11.1. As used herein, "Implied Market Price" shall mean an amount equal to the total price to be paid by the transferee under the Offer Terms, divided by the percentage (expressed as a decimal) of ownership of you proposed to be acquired (directly or indirectly) by the transferee, less the fair market value (determined as provided in Section 18.11.1) of any assets included in the Restricted Transfer that are not related to the Restaurant. If you have more than one (1) Restaurant, then the Implied Market Price shall, unless otherwise agreed by us and you, be allocated among all Restaurants equally.

(c) We may assign our rights under this Section 14.4 to any other person or entity, subject to Section 14.1 above.

(d) It shall be a material obligation of yours under this Agreement to cause any transferor and transferee described in this Article 14 to perform all of the obligations imposed on such persons under this Article 14.

14.4.2 In the event an offer from a third party provides for payment of consideration other than cash or involves certain intangible benefits, we may elect to purchase the interest proposed to be sold for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the reasonable cash equivalent of the non-cash part of the Offer Terms, then such amount shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees. In the event that we exercise our right of first refusal herein provided, we shall have the right to set off against any payment therefor (i) all fees for any such independent appraiser due from you hereunder and (ii) all amounts due from you to us.

14.4.3 Failure to comply with the provisions of this Section prior to the transfer of any interest in you, the Restaurant or this Agreement shall constitute a material event of default under this Agreement.

14.5 Death or Disability

14.5.1 Upon your death (if you are a natural person) or upon the death of any Controlling Principal who is a natural person and who has an interest in this Agreement, the Restaurant or you (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by us within twelve (12) months after the death. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by us. If the distributee is not approved by us, then the distributee shall transfer such interest to a third party approved by us within twelve (12) months after the death of the Deceased.

14.5.2 Upon your permanent disability (if you are a natural person) or upon the permanent disability of any Controlling Principal who is a natural person and who has an interest in this Agreement, the Restaurant or you, we may, in our reasonable discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article 14 within six (6) months after notice to you. "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician selected by us, upon examination of the person; or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section 14.5. The costs of any examination required by this Section shall be paid by us.

14.5.3 Upon the death or claim of permanent disability of you or any Controlling Principal, you or a representative of yours must notify us of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any *inter vivos* transfer. If an interest is not transferred upon death or permanent disability as required in this Section, then such failure shall constitute a material event of default under this Agreement.

14.5.4 In order to prevent any interruption of the Restaurant operations which would cause harm to the Restaurant, thereby depreciating the value thereof, you authorize us, who may, at our option, in the event that you are absent for any reason or are incapacitated by reason of illness and are unable, in our sole and reasonable judgment, to operate the Restaurant to our required standards, operate the Restaurant for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement. All monies from the operation of the Restaurant during such

period of operation by us shall be kept in a separate account, and the expenses of the Restaurant, including reasonable compensation and expenses for our representative, shall be charged to said account. If, as herein provided, we temporarily operate the Restaurant franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties.

14.6 No Waiver of Claims

Our consent to a transfer of any interest described herein shall not constitute a waiver of any claims which we may have against the transferring party, nor shall it be deemed a waiver of our right to demand material and full compliance with any of the terms of this Agreement by the transferee.

14.7 Transfer Among Owners

If any person holding an interest in you, this Agreement or the Restaurant (other than you or a Controlling Principal, which parties shall be subject to the provisions set forth above) transfers such interest, then you shall promptly notify us of such proposed transfer in writing and shall provide such information relative thereto as we may reasonably request prior to such transfer. Such transferee may not be a direct or indirect competitor of ours. Such transferee will be your Principal and as such will have to execute a confidentiality agreement and ancillary covenants not to compete in the form then required by us, which form shall be in substantially the same form attached hereto as Attachment D (see Sections 10.2.2 and 10.3.4). We also reserve the right to designate the transferee as one of the Controlling Principals. Notwithstanding the provisions contained in Section 14.2 to the contrary, the Controlling Principals may freely transfer their ownership interests in you among themselves and to their family members (or to trusts for the benefit of such family members), and our right of first refusal shall be inapplicable with respect to such transfers, provided you provide us with thirty (30) days prior written notice of such transfer, which notice shall include the names and percentages transferred.

ARTICLE 15
INDEMNIFICATION

15.1 Indemnification by You

You and each of the Controlling Principals shall, jointly and severally, at all times, indemnify, defend and hold harmless to the fullest extent permitted by law us, our successors and assigns, their respective partners and affiliates and the officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them ("Indemnitees"), from all "losses and expenses" (as defined in Section 15.4.2 below) incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon any of the following:

15.1.1 The infringement, alleged infringement, or any other violation or alleged violation by you or any of the Controlling Principals of any patent, trademark or copyright or other proprietary right owned or controlled by third parties (except as such may occur with respect to any right to use the Marks, any copyrights or other proprietary information granted hereunder pursuant to Article 10), including, but not limited to, the unauthorized use of any image, likeness or recording of a public figure;

15.1.2 The violation, breach or asserted violation or breach by you or any of the Controlling Principals of any federal, state or local law, regulation, ruling, standard or directive or any industry standard;

15.1.3 Libel, slander or any other form of defamation of us, the System or any franchisee operating under the System, by you or by any of the Controlling Principals;

15.1.4 The violation or breach by you or by any of the Controlling Principals of any warranty, representation, agreement or obligation in this Agreement or in any other agreement between you or any of your affiliates and us and our Indemnitees; and

15.1.5 Acts, errors, or omissions of you, any of your affiliates and any of the Controlling Principals and the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates in connection with the establishment and operation of the Restaurant, including, but not limited to, any acts, errors or omissions of any of the foregoing in the operation of any motor vehicle. The parties understand and agree that we cannot and do not exercise control over the manner of operation of any motor vehicles used by, or on behalf of, you or any employee, agent or independent contractor of yours and that the safe operation of any motor vehicle is, therefore, entirely your responsibility.

15.2 Notification of Action or Claim

You and each of the Controlling Principals agree to give us prompt notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. At the expense and risk of you and each of the Controlling Principals, we may elect to assume (but under no circumstance are we obligated to undertake) or appoint associate counsel of our own choosing with respect to, the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Such an undertaking by us shall, in no manner or form, diminish the obligation of you and each of the Controlling Principals to indemnify the Indemnitees and to hold them harmless.

15.3 We May Settle

In order to protect persons or property, or our reputation or goodwill, or the reputation or goodwill of others, we may, at any time and without notice, as we in our reasonable judgment deem appropriate, consent or agree to settlements or take such other remedial or corrective action as we deem expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in our reasonable judgment, there are reasonable grounds to believe that:

15.3.1 any of the acts or circumstances enumerated in Section 15.1.1 through 15.1.4 above have occurred; or

15.3.2 any act, error, or omission as described in Section 15.1.5 may result directly or indirectly in damage, injury, or harm to the System, any person or any property.

15.4 Losses and Expenses

All losses and expenses incurred under this Article 15 shall be chargeable to and paid by you or any of the Controlling Principals pursuant to your obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by us or the subsequent success or failure of such actions, activity, or defense.

As used in this Article 15, the phrase "losses and expenses" shall include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable attorneys' fees, court costs, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall,

refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

15.5 Indemnitees Do Not Assume Liability

The Indemnitees do not hereby assume any liability whatsoever for acts, errors, or omissions of any third party with whom you, any of the Controlling Principals, your affiliates or any of the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you or your affiliates may contract, regardless of the purpose. You and each of the Controlling Principals shall hold harmless and indemnify the Indemnitees for all losses and expenses which may arise out of any acts, errors or omissions of you, the Controlling Principals, your affiliates, the officers, directors, shareholders, partners, agents, representatives, independent contractors and employees of you and your affiliates and any such other third parties without limitation and without regard to the cause or causes thereof or the negligence of us or any other party or parties arising in connection therewith and whether such negligence be sole, joint or concurrent, or active or passive.

15.6 Recovery from Third Parties

Under no circumstances shall the Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against you or any of the Controlling Principals. You and each of the Controlling Principals agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable from you or any of the Controlling Principals by the Indemnitees.

15.7 Survival of Terms

You and the Controlling Principals expressly agree that the terms of this Article 15 shall survive the termination, expiration or transfer of this Agreement or any interest herein.

ARTICLE 16
RELATIONSHIP OF THE PARTIES

16.1 No Relationship

The parties acknowledge and agree that this Agreement does not create a fiduciary relationship between them, that you shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, joint employer or servant of the other for any purpose.

16.2 Independent Contractor

During the term of this Agreement, you shall hold yourself out to the public as an independent contractor conducting your Restaurant operations pursuant to the rights granted by us. You agree to take such action as shall be reasonably necessary to that end, including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Restaurant premises established for the purposes hereunder or on any delivery vehicle and on all letterhead, business cards, forms, and as further described in the Manual. We reserve the right to specify in writing the content and form of such notice.

16.3 You are Not Authorized

You understand and agree that nothing in this Agreement authorizes you or any of the Controlling Principals to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name or the Marks, and that we shall in no event assume liability for, or be deemed

liable under this Agreement as a result of, any such action, or for any act or omission of you or any of the Controlling Principals or any claim or judgment arising therefrom.

ARTICLE 17
TERMINATION

17.1 Automatic Termination – No Right to Cure

17.1.1 You acknowledge and agree that each of your obligations described in this Agreement is a material and essential obligation of yours; that non-performance of such obligations will adversely and substantially affect us and the System; and that our exercise of the rights and remedies set forth herein is appropriate and reasonable.

17.1.2 You shall be in default under this Agreement, and all rights granted to you herein shall automatically terminate without notice to you, if you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against you and is not dismissed within 60 days; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

17.1.3 You shall be deemed to be in material default and we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, (except as otherwise stated below), effective immediately upon notice to you, upon the occurrence of any of the following events:

(a) If you operate the Restaurant or sell any products or services authorized by us for sale at the Restaurant at a location which has not been approved by us;

(b) If you fail to acquire an Accepted Location for the Restaurant within the time and in the manner specified in Article 2;

(c) If you fail to achieve the minimum gross sales required in Article 7.16;

(d) If you fail to construct or remodel the Restaurant in accordance with the plans and specifications provided to you under Section 5.3 as such plans may be adapted with our approval in accordance with Section 2.5;

(e) If you fail to open the Restaurant for business within the period specified in Section 2.6 hereof;

(f) If you at any time cease to operate or otherwise abandon the Restaurant, or lose the right to possession of the premises, or otherwise forfeit the right to do or transact business in the jurisdiction where the Restaurant is located; provided, however, that this provision shall not apply in cases

of Force Majeure (acts of God, strikes, lockouts or other industrial disturbances, war, riot, epidemic, acts of terrorism, fire or other catastrophe or other forces beyond your control; provided, however, that Force Majeure shall not include your lack of financing or inability to obtain financing), if through no fault of yours the premises are damaged or destroyed by an event as described above, provided that you apply within thirty (30) days after such event for our approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld, conditioned, or delayed) and you diligently pursue such reconstruction or relocation; such approval may be conditioned upon the payment of our then-current relocation fee;

(g) If you or any of the Controlling Principals are convicted of, or have entered a plea of *nolo contendere* to, a felony, a crime involving moral turpitude, or other crime that we reasonably believe is likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interests therein;

(h) If a threat or danger to public health or safety results from the construction, maintenance or operation of the Restaurant;

(i) If you or any of the Controlling Principals purport to transfer any rights or obligations under this Agreement or any interest in you or the Restaurant to any third party without our prior written consent or without offering us a right of first refusal with respect to such transfer, contrary to the terms of Article 14 of this Agreement;

(j) If you or any of your affiliates fail, refuse, or neglect promptly to pay any monies owing to us, or any of our affiliates or vendors, when due under this Agreement or any other agreement, or to submit the financial or other information required by us under this Agreement and do not cure such default within five (5) days following notice from us (or such other cure period specified in such other agreement, unless no cure period is stated or such period is less than five (5) days, in which case the five (5) day cure period shall apply);

(k) If you or any of the Controlling Principals fail to comply with the in-term covenants in Section 10.3 hereof or you fail to obtain execution of the covenants and related agreements required under Section 10.3.4 hereof within thirty (30) days following notice from us;

(l) If, contrary to the terms of Section 10.2.1 hereof, you or any of the Controlling Principals disclose or divulge any confidential information provided to you or the Controlling Principals by us, or fail to obtain execution of covenants and related agreements required under Section 10.2.2 hereof within thirty (30) days following notice from us;

(m) If a transfer upon death or permanent disability is not transferred in accordance with Article 14 and within the time periods therein;

(n) If you knowingly maintain false books or records, or submit any false reports to us;

(o) If you breach in any material respect any of the covenants in any material respect set forth in Article 6 or have falsely made any of the representations or warranties set forth in Article 6;

(p) If you fail to propose a qualified replacement or successor Operating Principal or General Manager within the time required under Sections 6.3.4 and 6.4.4 following ten (10) days prior written notice;

(q) If you fail to procure and maintain the insurance policies required by Article 12 and you fail to cure such default within ten (10) days following notice from us;

(r) If you misuse or make any unauthorized use of the Marks or otherwise materially impair the goodwill associated therewith or our rights therein, or use the Marks in any manner that we reasonably determine is detrimental to the System; provided that, notwithstanding the above, you shall be entitled to written notice of such event of default and shall have twenty-four (24) hours to cure such default to our reasonable satisfaction;

(s) If you or any of the Controlling Principals commit three (3) material events of default under this Agreement, within any twelve (12) month period, whether or not such defaults are of the same or different nature and whether or not such defaults have been cured by you after notice by us;

(t) If any of your managers is not able to complete our initial training program to our satisfaction, after having given you the opportunity to designate a replacement manager; and

(u) If you fail to comply with all applicable laws and ordinances relating to the Restaurant, including Anti-Terrorism Laws, or if your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation.

17.2 Notice of Termination – 30 Days to Cure

Except as provided in Sections 17.1.2 and 17.1.3 of this Agreement, upon any default by you which is susceptible of being cured, we may terminate this Agreement by giving written notice of termination stating the nature of such default to you at least thirty (30) days prior to the effective date of termination. However, you may avoid termination by immediately initiating a remedy to cure such default and curing it to our reasonable satisfaction or making a bona fide attempt to cure to our reasonable satisfaction within the thirty (30) day period and by promptly providing proof thereof to us. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to you effective immediately upon the expiration of the thirty (30) day period or such longer period as applicable law may require. Defaults which are susceptible of cure hereunder may include, but are not limited to, the following illustrative events:

17.2.1 If you fail to comply with any of the requirements imposed by this Agreement, as it may from time to time be amended or reasonably be supplemented by us, or fail to carry out the terms of this Agreement in good faith.

17.2.2 If you fail to maintain or observe any of the standards, specifications or procedures prescribed by us in this Agreement or otherwise in writing.

17.2.3 If you fail, refuse, or neglect to obtain our prior written approval or consent as required by this Agreement.

17.3 Cross-Defaults, Non-Exclusive Remedies, etc.

Any default by you (or any person or entity directly or indirectly affiliated with you or under common control with you) under this Agreement shall be regarded as a default under any other agreement between us (or any of our affiliates) and you (or any of your affiliates). Any default by you (or any person or entity directly or indirectly affiliated with you or under common control with you) under this Agreement shall be regarded as a default under any other agreement between us (or any of our affiliates) and you (or

any of your affiliates). Any default by you (or any person or entity directly or indirectly affiliated with you or under common control with you) under any other agreement, including, but not limited to, any lease, sublease, promissory note, guaranty, or area development agreement, between us (or any of our affiliates) and you (or any person or entity affiliated with you), and any default by you (or any person or entity affiliated with you) under any obligation to us (or any of our affiliates) shall be regarded as a default under this Agreement. Any material default by you (or any person or entity affiliated with you or under common control with you) under any lease, sublease, loan agreement, promissory note, guaranty, security agreement or otherwise, whether with us, any of our affiliates and/or any third party, may be regarded as a default under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of your affiliates), provided that we give you written notice of such default and an opportunity to cure consistent with the cure periods provided in this Article 17.

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

17.4 Our Right to Discontinue Services to You

If you are in breach of any obligation under this Agreement, and we deliver to you a notice of termination pursuant to this Article 17, we have the right to suspend our performance of any of our obligations under this Agreement including, without limitation, the sale or supply of any services or products for which we are an approved supplier to you and/or suspension of your web page on our Website, until such time as you correct the breach to our satisfaction.

17.5 Amendment Pursuant to Applicable Law

Notwithstanding anything to the contrary contained in this Article, if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this franchise and the parties hereto shall limit our rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement is deemed amended to satisfy the minimum notice periods or restrictions upon such termination required by such laws and regulations; provided, however, that such constructive amendment shall not be deemed a concession by us that the grounds for termination set forth in this Agreement do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law or regulation. We shall not be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, hearing or proceeding relating to this Agreement or the termination of this Agreement.

ARTICLE 18
POST-TERMINATION

Upon termination or expiration of this Agreement, all rights granted hereunder to you shall forthwith terminate, and:

18.1 Cease Operations

You shall immediately cease to operate the Restaurant under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of ours.

18.2 Stop Using the System

You shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, computer software, procedures, and techniques associated with the System; the mark "Early Bird"; and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, you shall cease to use, without limitation, all signs, advertising materials, displays, stationery, forms and any other articles which display the Marks, and shall immediately change all paint colors, remove all of our proprietary or non-proprietary design items.

18.3 Cancellation of Assumed Names

You shall take such action as may be necessary to cancel any assumed name or equivalent registration which contains the mark "Early Bird" or any other service mark or trademark of ours, and you shall furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

18.4 No Use of Similar Marks

You agree, in the event you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute our rights in and to the Marks. Moreover, you agree not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with us, constituting unfair competition.

18.5 Payment of Sums Owed

You and your Controlling Principals shall promptly pay all sums owing to us. Such sums shall include all damages, costs and expenses, including reasonable attorneys' fees, incurred by us as a result of any default by you, which obligation shall give rise to and remain, until paid in full, a security interest in our favor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by you and on the premises operated hereunder at the time of default, subject to proper UCC filing requirements and applicable law.

18.6 Payment of Damages, Costs and Expenses

You and the Controlling Principals shall pay to us all damages, costs and expenses, including reasonable attorneys' fees, incurred by us in connection with obtaining any remedy available to us for any violation of this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining injunctive or other relief for the enforcement of any provisions of this Article 18.

18.7 Delivery of Manuals and Materials

You shall immediately deliver to us all Manuals, software licensed by us (if any), records, files, instructions, correspondence, all materials related to operating the Restaurant, including, without limitation, agreements, invoices, and any and all other materials relating to the operation of the Restaurant in your possession or control, and all copies thereof (all of which are acknowledged to be our property), and shall retain no copy or record of any of the foregoing, except your copy of this Agreement and of any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law.

18.8 Confidential Information

You and the Controlling Principals shall comply with the restrictions on confidential information contained in Article 10 of this Agreement and shall also comply with the non-competition covenants contained in Article 10. Any other person required to execute similar covenants pursuant to Article 10 shall also comply with such covenants.

18.9 Marketing and Promotional Materials

You shall also immediately furnish us with an itemized list of all marketing and sales promotion materials bearing the Marks or any of our distinctive markings, designs, labels, or other marks thereon, whether located on your premises or under your control at any other location. We shall have the right to inspect these materials. We shall have the option, exercisable within thirty (30) days after such inspection, to purchase any or all of the materials at your cost, or to require you to destroy and properly dispose of such materials. Materials not purchased by us shall not be utilized by you or any other party for any purpose unless authorized in writing by us.

18.10 Assignment to Us

Upon execution of this Agreement, in partial consideration of the rights granted hereunder, you acknowledge and agree that all right, title and interest in the signs used at the Restaurant are hereby assigned to us, and that upon termination or expiration of this Agreement, neither you nor any lien holder of yours shall have any further interest therein.

18.11 Assignment of Lease

If you operate the Restaurant under a lease for the Restaurant premises with a third party or, with respect to any lease for equipment used in the operation of the Franchised Business, then you shall, at our option, assign to us any interest which we have in any lease or sublease for the premises of the Restaurant or any equipment related thereto. We may exercise such option at or within thirty (30) days after either termination or (subject to any existing right to renew) expiration of this Agreement. In the event we do not elect to exercise our option to acquire the lease or sublease for the Restaurant premises or do not have such option, you shall make such modifications or alterations to the Restaurant premises as are necessary to distinguish the appearance of the Restaurant from that of other Restaurants operating under the System and shall make such specific additional changes as we may reasonably request. If you fail or refuse to comply with the requirements of this Section 18.11, we shall have the right to enter upon the premises of the Franchised Business, without being guilty of trespass or any other crime or tort, to make or cause to be made such changes as may be required, at your expense, which expense you agree to pay upon demand. Notwithstanding the provisions of this Section 18.11 to the contrary, in the event the lease is assigned to us, we hereby indemnify and hold harmless you and any guarantors under said lease, for any breach by us or our successors or assigns from any liability arising out of the lease for the Restaurant premises from and after the date of the assignment of lease.

18.12 Our Right to Purchase

18.12.1 Except as provided in Sections 18.9, 18.10 and 18.13, we shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from you any or all of the furnishings, equipment (including any point of sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant, at fair market value. If we exercise our right to purchase all or a portion of your assets, we shall be purchasing such assets only and shall be assuming no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined by two (2) appraisers, with each party selecting

one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and each shall pay one-half (1/2) of the appraisal fees. If we elect to exercise any option to purchase herein provided, we shall have the right to set off (i) all fees for any such independent appraiser due from you, (ii) all amounts due from you to us and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash.

18.12.2 In addition to the options described above and if you own the Restaurant premises, then we shall have the option, to be exercised at or within thirty (30) days after termination or expiration of this Agreement, to purchase the Restaurant premises including any building thereon, if applicable, for the fair market value of the land and building, and any or all of the furnishings, equipment, signs, fixtures, vehicles, supplies and inventory therein at fair market value. We shall purchase assets only and shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If you do not own the land on which the Restaurant is operated and we exercise our option for an assignment of the lease, we may exercise this option for the purpose of purchasing the building if owned by you and related assets as described above. If the parties cannot agree on fair market value within thirty (30) days of our exercise of this option, fair market value shall be determined in accordance with appraisal procedure described above.

18.12.3 With respect to the options described in Sections 18.11, 18.12.1 and 18.12.2, you shall deliver to us in a form satisfactory to us, such warranties, deeds, releases of lien, bills of sale, assignments and such other documents and instruments which we deem necessary in order to perfect our title and possession in and to the properties being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, you have not obtained all of these certificates and other documents, we may, in our sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents.

18.12.4 The time for closing of the purchase and sale of the properties described in Sections 18.12.1 and 18.12.2 shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the determination of the appraisers, or such date we receive and obtain all necessary permits and approvals, whichever is later, unless the parties mutually agree to designate another date. The time for closing on the assignment of the lease described in Section 18.11 shall be a date no later than ten (10) days after our exercise of the option thereunder unless we are exercising our options under either Section 18.12.1 or 18.12.2, in which case the date of the closing shall be on the same closing date prescribed for such option. Closing shall take place at our corporate offices or at such other location as the parties may agree.

18.13 Restaurant Assets

Notwithstanding anything to the contrary contained in Sections 18.11 and 18.12, if you operate the Restaurant from a premises that is subleased to you by us, upon termination (or expiration if you do not renew) of this Agreement, we shall have the right to take immediate possession of the assets of the Restaurant, including, any or all of the furnishings, equipment (including any point of sale or computer hardware and software systems), signs, fixtures, motor vehicles, supplies, and inventory of yours related to the operation of the Restaurant. We shall have a lien against all such assets in the amount of any amounts due to us under this Agreement or any other agreement. We shall have the right to have such assets appraised at the lower of cost or fair market value of the used assets, and to acquire all right, title and interest to such assets, without conducting any public sale, by paying to you (or to any lender of yours who has a lienholder interest in the assets) the difference between the appraised value and the amounts owed to us by you at the time of termination. If the lien on the assets from your lender has priority over any lien of ours, and the amount of the lien is in excess of the appraised value of such assets, we shall have the right to deal directly with your lienholder, and to pay any amounts due to you directly to the lienholder. You agree to provide all further assurances, and to execute all documents required by us or by law to lawfully effect such transfer,

and to perfect our security interest. We shall have the right to take such action without the execution of any further documents by you if you fail or refuse to comply with these further assurances.

18.14 Assignment of Options by Us

We shall be entitled to assign any and all of our options in this Section to any other party, without your consent.

18.15 Telephone Numbers, Yellow Pages Listings, etc.

You, at our option exercised within thirty (30) days of termination or expiration, shall assign to us all rights to the telephone numbers of the Restaurant and any related Yellow Pages trademark listing or other business listings and execute all forms and documents required by us and any telephone company at any time to transfer such service and numbers to us. Further, you shall assign to us all Internet listings, domain names, Internet Accounts, advertising on the Internet or World Wide Web, websites, listings with search engines, e-mail addresses or any other similar listing or usage related to the Franchised Business. The forms we may require you to execute include, but are not limited to, those included in Attachment E hereto. Notwithstanding any forms and documents which may have been executed under Section 7.9, you hereby appoint us as your true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. You shall thereafter use different telephone numbers, email addresses or other listings or usages at or in connection with any subsequent business conducted by you.

18.16 Liquidated Damages

If we terminate this Agreement with cause, you must pay us liquidated damages equal to the average monthly Royalty Fees and Marketing Fund contributions you paid or owed to us during the twelve (12) months immediately preceding termination (or if the Restaurant has been operating for less than twelve months, the average monthly Royalty Fees and Marketing Fund contributions during the period of operation), multiplied by the greater of: (i) thirty-six (36) months, or (ii) the number of months remaining in the term of this Agreement. This Section is subject to applicable state law and shall not limit any other remedies available to us.

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages we 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, we 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 this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

The liquidated damages provision only covers our damages from the loss of cash flow from the Royalty Fees. It does not cover any other damages, including damages to our reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. You and each of your owners agree that the liquidated damages provision does not give us 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 19
MISCELLANEOUS

19.1 Notices

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by expedited delivery service or certified or registered mail, return receipt requested, first class postage prepaid, or sent by facsimile or email (provided that the sender confirms the facsimile by sending an original confirmation copy by certified or registered mail or expedited delivery service within three (3) business days after transmission) to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor: Early Bird Corporate, LLC
8264 Hascall Street, Suite 204
Omaha, NE 68124
Attention: President

Notices to Franchisee and
the Controlling Principals: _____
_____
_____
Attention: _____
Facsimile: _____

Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile or email, upon transmission with confirmed receipt, or in the case of expedited delivery service or registered or certified mail, upon the earlier of actual receipt or three (3) business days after the date and time of mailing. Notices to Franchisor shall be deemed effective only upon actual receipt by Franchisor at the address specified above.

19.2 Entire Agreement

This Agreement, the documents referred to herein, and the Attachments hereto, constitute the entire, full and complete agreement between us and you and the Controlling Principals concerning the subject matter hereof and shall supersede all prior related agreements between us and you and the Controlling Principals; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. Except for those amendments, changes or variances permitted to be made unilaterally by us hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

19.3 No Waiver

No delay, waiver, omission or forbearance on our part to exercise any right, option, duty or power arising out of any breach or default by you or the Controlling Principals under this Agreement shall constitute a waiver by us to enforce any such right, option, duty or power against you or the Controlling Principals, or as to a subsequent breach or default by you or the Controlling Principals. Acceptance by us of any payments due to us hereunder subsequent to the time at which such payments are due shall not be deemed to be a waiver by us of any preceding breach by you or the Controlling Principals of any terms, provisions, covenants or conditions of this Agreement.

19.4 Our Prior Approval

Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us, and such approval or consent shall be obtained in writing.

19.5 No Warranty or Guaranty

We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advice, consent or suggestion to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

19.6 Continued Obligation to Pay Sums

If a Force Majeure event shall occur, then, in addition to payments required under Section 17.1.3(e), you shall continue to be obligated to pay to us any and all amounts that you shall have duly become obligated to pay in accordance with the terms of this Agreement prior to the occurrence of any Force Majeure event and the Indemnitees shall continue to be indemnified and held harmless by you in accordance with Article 15. Except as provided in Section 17.1.3(e) and the immediately preceding sentence herein, none of the parties hereto shall be held liable for a failure to comply with any terms and conditions of this Agreement when such failure is caused by an event of Force Majeure. Upon the occurrence of any event of the type referred to herein, the party affected thereby shall give prompt notice thereof to the other parties, together with a description of the event, the duration for which the party expects its ability to comply with the provisions of the Agreement to be affected thereby and a plan for resuming operation under the Agreement, which the party shall promptly undertake and maintain with due diligence. Such affected party shall be liable for failure to give timely notice only to the extent of damage actually caused.

19.7 Arbitration

Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be settled by binding arbitration in Nebraska under the authority of Nebraska Statutes. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Nebraska Statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Nebraska Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement. Without limiting the foregoing, you shall continue to pay all amounts due under this Agreement, including Royalty Fees, Marketing Fees, and all other fees and charges, and shall continue to operate the Franchised Business in full compliance with this Agreement and the Operations Manual. Your obligation to perform during arbitration is independent of the outcome of the arbitration and shall not be subject to offset, reduction, or withholding based on any claims you may assert.

19.8 Venue; Governing Law

With respect to any claims, controversies or disputes which are not finally resolved through mediation or arbitration, or as otherwise provided above, you and the Controlling Principals hereby irrevocably submit themselves to the jurisdiction of the state courts and the Federal District Court nearest to our headquarters. You and the Controlling Principals hereby irrevocably and unconditionally waive all questions of personal jurisdiction and venue for the purpose of carrying out this provision and consent to personal jurisdiction in such courts. This consent to jurisdiction is coupled with an interest and shall survive the termination or expiration of this Agreement. You and the Controlling Principals hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by Nebraska or federal law. You and the Controlling Principals further agree that venue for any proceeding relating to or arising out of this Agreement shall be Douglas County, Nebraska; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief, (3) involving possession or disposition of, or other relief relating to, real property, (4) to enforce post-termination obligations, or (5) to enforce any provision of this Agreement that survives termination or expiration, we may bring such action in Douglas County, Nebraska or in any State or Federal District Court which has jurisdiction, including without limitation the courts in the jurisdiction where you or the Franchised Business is located. You and the Controlling Principals waive any objection to venue in any such court and any claim that any such court is an inconvenient forum. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Nebraska law.

19.9 Agreement Regarding Governing Law and Choice of Forum

You, the Controlling Principals and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19.8 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, the Controlling Principals and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

19.10 Waiver of Punitive Damages

You, the Controlling Principals and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

19.11 Execution in Multiple Counterparts

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

19.12 Captions

The captions used in connection with the sections and subsections of this Agreement are inserted only for purpose of reference. Such captions shall not be deemed to govern, limit, modify or in any other manner affect the scope, meaning or intent of the provisions of this Agreement or any part thereof nor shall such captions otherwise be given any legal effect.

19.13 Survival of Terms

Any obligation of you or the Controlling Principals that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of you or the Controlling Principals therein, shall be deemed to survive such termination, expiration or transfer.

19.14 Severability of Provisions

Except as expressly provided to the contrary herein, each portion, section, part, term and provision of this Agreement shall be considered severable; and if, for any reason, any portion, section, part, term or provision is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, this shall not impair the operation of, or have any other effect upon, the other portions, sections, parts, terms or provisions of this Agreement that may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties; the invalid portions, sections, parts, terms or provisions shall be deemed not to be part of this Agreement; and there shall be automatically added such portion, section, part, term or provision as similar as possible to that which was severed which shall be valid and not contrary to or in conflict with any law or regulation.

19.15 Joint and Several Obligations

All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable. Without limiting the obligations individually undertaken by the Controlling Principals under this Agreement, all acknowledgments, promises, covenants, agreements and obligations made or undertaken by you in this Agreement shall be deemed, jointly and severally, undertaken by all of the Controlling Principals.

19.16 Rights and Remedies Cumulative

All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between you or any of your affiliates and us. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination or exercise of our rights pursuant to Article 17 of this Agreement shall not discharge or release you or any of the Controlling Principals from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.

19.17 Terminology

The term “your Principals” shall include, collectively and individually, (1) your spouse, if you are an individual, (2) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of you and (3) all officers, directors, managers and general partners (or persons holding comparable positions in non-corporate entities) of any Controlling Principal that itself is an entity, in each case whom we designate as your Principals and all holders of an ownership interest in

you and of any entity directly or indirectly controlling you, and any other person or entity controlling, controlled by or under common control with you. As used in this Section 19.17, the terms "control" and "controlling" shall mean the power to influence the management decisions of the specified person and shall in any case be deemed to exist where the second person holds ten percent (10%) or more of the total ownership interest in the specified person, serves on any board of directors or comparable body of such specified person or acts as an officer, general partner or manager thereof (or holds a comparable position in a non-corporate entity). The initial Principals shall be listed on Attachment C. The term "Controlling Principals" shall include, collectively and individually, any Principal who has been designated by us as a Controlling Principal hereunder. For purposes of this Agreement, a publicly held corporation is a corporation registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or a corporation subject to the requirements of Section 15(d) of such Act.

19.18 References

Each reference in this Agreement to a corporation, partnership, or limited liability company shall be deemed to also refer to any other entity or organization similar thereto. Each reference to the organizational documents, equity owners, directors, and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, equity owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto.

19.19 No Rights or Remedies Except to the Parties

Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors, members and employees and such of your and our respective successors and assigns as may be contemplated (and, as to you, authorized by Article 14), any rights or remedies under or as a result of this Agreement.

19.20 Effectiveness of Agreement

This Agreement shall not become effective until signed by an authorized officer of ours.

19.21 Modification of the System

You understand and agree 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 and other marketplace variables, and if it is to best serve the interests of us, you and all other franchisees. Accordingly, you expressly understand and agree that we 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 products, programs and services which your Franchised Business is authorized and required 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 you are required to observe hereunder; and changing, improving, modifying, or substituting other words or designs for, the Marks. We shall provide you with fifteen (15) calendar days written notice, before any such modifications, changes, additions, deletions, substitutions, or alternations take effect. You expressly agree to comply with any such modifications, changes, additions, deletions, substitutions and alterations, at your sole expense.

You 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.

We shall not be liable to you for any expenses, losses or damages sustained by you as a result of any of the modifications contemplated hereby. You hereby covenant not to commence or join in any litigation or other proceeding against us or any third party complaining of any such modifications or seeking expenses, losses or damages caused thereby. You expressly waive 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.

19.22 Operation in the Event of Absence or Disability

In order to prevent any interruption of the Franchised Business operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, you authorize us, who may, at our option, in the event that you are absent for any reason or are incapacitated by reason of illness and are unable, in our sole and reasonable judgment, to operate the Franchised Business, operate the Franchised Business for so long as we deem necessary and practical, and without waiver of any other rights or remedies we may have under this Agreement. All monies from the operation of the Franchised Business during such period of operation by us shall be kept in a separate account, and the expenses of the Franchised Business, including reasonable compensation and expenses for our representative, shall be charged to said account. If, as herein provided, we temporarily operate the Franchised Business franchised herein for you, you agree to indemnify and hold harmless us and any representative of ours who may act hereunder, from any and all acts which we may perform, as regards the interests of you or third parties.

19.23 Step-In Rights

If we determine in our sole judgment that the operation of your business is in jeopardy, or if a default occurs, then in order to prevent an interruption of the Franchised Business which would cause harm to the System and thereby lessen its value, you authorize us to operate your business for as long as we deem necessary and practical, and without waiver of any other rights or remedies which we may have under this Agreement. In our sole judgment, we may deem you incapable of operating the Franchised Business if, without limitation, you are absent or incapacitated by reason of illness or death; you have failed to pay when due or have failed to remove any and all liens or encumbrances of every kind placed upon or against your business; or we determine that operational problems require that we operate your business for a period of time that we determine, in our sole discretion, to be necessary to maintain the operation of the business as a going concern.

We shall keep in a separate account all monies generated by the operation of your business, less the expenses of the business, including reasonable compensation and expenses for our representatives. In the event of our exercise of the Step-In Rights**,** you agree to hold harmless us and our representatives for all actions occurring during the course of such temporary operation. You agree to pay all of our reasonable attorneys' fees and costs incurred as a consequence of our exercise of the Step-In Rights. Nothing contained herein shall prevent us from exercising any other right which we may have under this Agreement, including, without limitation, termination.

19.24 Costs and Legal Fees

If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

ARTICLE 20
SECURITY INTERESTS

20.1 Collateral

You grant to us a security interest ("Security Interest") in all of the furniture, fixtures, equipment, signage, and realty (including your interests under all real property and personal property leases) of the Restaurant, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Restaurant. All items in which a security interest is granted are referred to as the "Collateral".

20.2 Indebtedness Secured

The Security Interest is to secure payment of the following (the "Indebtedness"):

20.2.1 All amounts due under this Agreement or otherwise by you;

20.2.2 All sums which we may, at our option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness;

20.2.3 All expenses, including reasonable attorneys' fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Agreement; and

20.2.4 All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of you to us or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not you execute any extension agreement or renewal instruments.

20.2.5 Our security interest, as described herein, shall be subordinated to any financing related to your operation of the Restaurant, including, but not limited to, a real property mortgage and equipment leases.

20.3 Additional Documents

You will from time to time as required by us join with us in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to us.

20.4 Possession of Collateral

Upon default and termination of your rights under this Agreement, we shall have the immediate right to possession and use of the Collateral.

20.5 Our Remedies in Event of Default

You agree that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at our option and without notice, become due and payable immediately, and we shall then have the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of Nebraska (or other

applicable law), including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by us in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to you pursuant to the notice provisions set forth above.

20.6 Special Filing as Financing Statement

This Agreement shall be deemed a Security Agreement and a Financing Statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

ARTICLE 21
TECHNOLOGY

21.1 Computer Systems and Software

The following terms and conditions shall apply with respect to your computer system:

21.1.1 We shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware to be used by, between, or among Early Bird Restaurants, including without limitation: (a) back office and point of sale systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Early Bird Restaurants, between or among Restaurants, and between and among the Franchised Restaurant and us and/or you; (b) Point of Sale Systems; (c) physical, electronic, and other security systems; (d) printers and other peripheral devices; (e) archival back-up systems; and (f) internet access mode and speed (collectively, the "Computer System").

21.1.2 We shall have the right, but not the obligation, to develop or have developed for us, or to designate: (a) computer software programs and accounting system software that you must use in connection with the Computer System ("Required Software"), which you shall install; (b) updates, supplements, modifications, or enhancements to the Required Software, which you shall install; (c) the tangible media upon which you shall record data; and (d) the database file structure of your Computer System.

21.1.3 You shall record all sales on computer-based point of sale systems approved by us or on such other types of systems as may be designated by us in the Manual or otherwise in writing ("Point of Sale Systems"), which shall be deemed part of your Computer System. You acknowledge that we may modify our approval of Point of Sale Systems at any time in our sole discretion, and you shall discontinue use of any previously approved system upon our written notice if such system no longer meets our standards or specifications.

21.1.4 You shall make, from time to time, such upgrades and other changes to the Computer System and Required Software as we may request in writing (collectively, "Computer Upgrades"). You shall complete all Computer Upgrades within the timeframe specified by us in our written request, which shall be commercially reasonable under the circumstances. Failure to timely implement Computer Upgrades shall constitute a material breach of this Agreement.

21.1.5 You shall comply with all specifications issued by us with respect to the Computer System and the Required Software, and with respect to Computer Upgrades. You shall also afford us unimpeded access to your Computer System and Required Software as we may request, in the manner, form, and at the times requested by us, including but not limited to remote access capabilities. You shall

ensure that all necessary access credentials, passwords, and technical configurations are maintained to permit our immediate access at all times, and you shall not implement any security measures that would prevent or delay our access without our prior written consent.

21.2 Data

We may, from time-to-time, specify in the Manual or otherwise in writing the information that you shall collect and maintain on the Computer System installed at the Restaurant, and you shall provide to us such reports as we may reasonably request from the data so collected and maintained. All data pertaining to the Restaurant, and all data created or collected by you in connection with the System, or in connection with your operation of the Restaurant (including without limitation data pertaining to or otherwise concerning the Restaurant's customers) or otherwise provided by you (including, without limitation, data uploaded to, or downloaded from your Computer System) is and will be owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. You hereby irrevocably assign and transfer to us all right, title, and interest in and to such data, and you agree to execute any documents reasonably necessary to evidence or perfect such assignment. You acknowledge that we may aggregate, analyze, and commercialize such data, including by licensing or selling such data to third parties, and you waive any claim to compensation or other rights arising from our use of such data. Copies and/or originals of such data must be provided to us upon our request. We hereby license use of such data back to you for the term of this Agreement, at no additional cost, solely for your use in connection with the business franchised under this Agreement.

21.3 Privacy

You shall abide by all applicable laws and regulations pertaining to privacy and data protection, including but not limited to state and federal privacy laws, regarding information collected or maintained about customers or other individuals ("Privacy"), and shall maintain appropriate technical and organizational measures to protect such data, and shall comply with our standards and policies pertaining to Privacy. You shall be solely responsible for your compliance with all Privacy laws and regulations, and you shall indemnify, defend, and hold us harmless from any claims, damages, or penalties arising from your violation of Privacy laws or data security breaches occurring at or through the Restaurant. If there is a conflict between our standards and policies pertaining to Privacy and applicable law, you shall: (a) comply with the requirements of applicable law; (b) immediately give us written notice of said conflict; and (c) promptly and fully cooperate with us and our counsel as we may request to assist us in our determination regarding the most effective way, if any, to meet our standards and policies pertaining to Privacy within the bounds of applicable law.

21.4 Telecommunications

You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between your Computer System and our Intranet (as defined below), if any, and/or such other computer systems as we may reasonably require.

21.5 Intranet

We may establish a website providing private and secure communications between us, you, franchisees, licensees and other persons and entities as determined by us, in our sole discretion (an "Intranet"). You shall comply with our requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Intranet, and utilizing the Intranet in connection with the operation of the Restaurant. The Intranet may include, without limitation, the Manuals, training other assistance materials, and management reporting solutions (both upstream and downstream, as we may direct). You shall purchase and maintain such computer software and hardware as may be required to connect to and utilize

the Intranet, and you shall ensure that all such software and hardware meets or exceeds our minimum specifications. You shall upgrade such software and hardware as we may require from time to time to maintain compatibility with the Intranet and to access new features or functionality that we may implement. All costs associated with purchasing, maintaining, and upgrading such software and hardware shall be borne solely by you.

21.6 On-line Use of Proprietary Marks

You shall not use the Proprietary Marks or any abbreviation or other name associated with us and/or the System as part of any e-mail address, domain name, social media handle, username, and/or other identification of you in any electronic medium, including but not limited to websites, mobile applications, social media platforms, online marketplaces, and any other digital or online channels, whether now existing or hereafter developed. You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without our prior written consent as to your plan for transmitting such advertisements.

21.7 No Outsourcing Without Prior Written Consent

You shall not hire third party or outside vendors to perform any services or obligations in connection with the Computer System, Required Software, or any other of your obligations without our prior written approval therefor, unless we have designated an approved supplier to provide such services. Our consideration of any proposed outsourcing vendor(s) may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that is reasonably provided by us.

21.8 Changes to Technology

You and we acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and you agree that you shall abide by those reasonable new standards established by us as if this Article 21 were periodically revised by us for that purpose. You acknowledge and understand that this Agreement does not place any limitations on either our right to require you to obtain Computer Upgrades or the cost of such Computer Upgrades.

ARTICLE 22
YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS

22.1 Your Representations

You represent and warrant to us, with the intention that we are relying thereon in entering into this Agreement, that:

22.1.1 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, then you are organized under the laws of the state of your principal place of business (or another state which you have identified to us) and are in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Restaurant.

22.1.2 If you are a corporation, limited liability company, general partnership, partnership, or limited partnership, you have all corporate power and authority to execute, deliver, consummate and perform this Agreement, and it will be binding upon you and your successors and assigns when executed.

22.1.3 You do not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of your current financial statements, which you have furnished to us before the execution of this Agreement.

22.1.4 As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending or, to your knowledge or the knowledge any of your officers, directors, principal shareholders, proprietors, partners or principals (as applicable) after due inquiry, threatened, in any court or arbitral forum, or before any governmental agency or instrumentality, nor to the best of your knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of your assets, properties, rights or business; your right to operate and use your assets, properties or rights to carry on your business; and/or which affects or could affect your right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

22.1.5 Neither you nor any of your Principals is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with, or be breached by, the execution, delivery, consummation and/or performance of this Agreement.

22.1.6 All of your representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date first above written.

FRANCHISOR:
EARLY BIRD CORPORATE, LLC
a Nebraska limited liability company

By:_____
Name:_____
Title:_____
Accepted On:_____
(the "Effective Date")

FRANCHISEE:

_____

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

CONTROLLING PRINCIPALS

Each of the undersigned acknowledges and agrees as follows:

1. Each has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this guaranty and the undertakings of the Controlling Principals in the Franchise Agreement are in partial consideration for, and a condition to, the granting of this license, and that Franchisor would not have granted this license without the execution of this guaranty and such undertakings by each of the undersigned;

2. Each is included in the term "Controlling Principals" as defined in Section 19.17 of the Franchise Agreement;

3. Each individually, jointly and severally, makes all of the covenants, representations, warranties and agreements of the Controlling Principals set forth in the Franchise Agreement and is obligated to perform thereunder; and

4. Each individually, jointly and severally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee's obligations under the Franchise Agreement will be punctually paid and performed. Upon default by Franchisee or upon notice from Franchisor, each will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement. Without affecting the obligations of any of the Controlling Principals under this guaranty, Franchisor may, without notice to the Controlling Principals, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee or settle, adjust or compromise any claims that Franchisor may have against Franchisee. Each of the Controlling Principals waives all demand and notices of every kind with respect to the enforcement of this guaranty, including, without limitation, notice of presentment, demand for payment or performance by Franchisee, any default by Franchisee or any guarantor and any release of any guarantor or other security for this guaranty or the obligations of Franchisee. Franchisor may pursue its rights against any of the Controlling Principals, jointly or severally, without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy. Upon receipt by Franchisor of notice of the death of any of the Controlling Principals, the estate of the deceased will be bound by the foregoing guaranty, but only for defaults and obligations under the Franchise Agreement existing at the time of death, and in such event, the obligations of the remaining Controlling Principals shall continue in full force and effect.

[Signatures are on the next page]

CONTROLLING PRINCIPALS:

_____

Name:_____

_____

Name:_____

_____

Name:_____

The individual executing below shall be the initial "Operating Principal", if applicable:

_____

Name:_____

ATTACHMENT A TO THE FRANCHISE AGREEMENT

ACCEPTED LOCATION

ACCEPTED LOCATION

Pursuant to Section 1.2 of the Franchise Agreement, the Restaurant shall be located at the following Accepted Location:

_____

_____

_____

FRANCHISEE:

_____

By:_____
Name:_____
Title:_____

FRANCHISOR:

EARLY BIRD CORPORATE, LLC

By:_____
Name:_____
Title:_____

ATTACHMENT B TO THE FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("Assignor") assigns, transfers and sets over to Early Bird Corporate, LLC, a Nebraska limited liability company and/or an affiliate as designated by Early Bird Corporate, LLC in its sole discretion ("Assignee"), all of Assignor's right and title to and interest in that certain "Lease" a copy of which is attached as Exhibit A respecting premises commonly known as _____. This assignment is for collateral purposes only and except as specified in this document Assignee will have no liability or obligation of any kind whatsoever arising from or in connection with this assignment or the Lease unless and until Assignee takes possession of the premises the Lease demises according to the terms of this document and assumes Assignor's obligations under the Lease.

Assignor represents and warrants to Assignee that it has full power and authority to assign the Lease and that Assignor has not previously assigned or transferred and is not otherwise obligated to assign or transfer any of its interest in the Lease or the premises it demises.

Upon Assignor's default under the Lease, under the "Franchise Agreement" for a Restaurant between Assignee and Assignor, or in the event Assignor defaults under any document or instrument securing the Franchise Agreement, Assignee has the right to take possession of the premises the Lease demises and expel Assignor from the premises. In that event Assignor will have no further right and title to or interest in the Lease but will remain liable to Assignee for any past due rental payments or other charges Assignee is required to pay Lessor to effectuate the assignment this document contemplates.

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

ASSIGNEE:	ASSIGNOR:
EARLY BIRD CORPORATE, LLC	_____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

CONSENT TO COLLATERAL ASSIGNMENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the Lease:

(a) Agrees to notify Assignee in writing of and upon Assignor's failure to cure any default by Assignor under the Lease;

(b) Agrees that Assignee will have the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after Lessor's delivery of notice of the default under section (a) above;

(c) Consents to the Collateral Assignment and agrees that if Assignee takes possession of the premises the Lease demises and confirms to Lessor that it has assumed the Lease as tenant, Lessor will recognize Assignee as tenant under the Lease, provided that Assignee cures within the thirty (30) day period noted in section (b) above Assignor's defaults under the Lease; and

(d) Agrees that Assignee may further assign the Lease to or enter into a sublease with a person, firm or corporation who agrees to assume the tenant's obligations under the Lease and is reasonably acceptable to Lessor and that upon that assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise, other than to certify that the additional assignee or sublessee operates the premises the Lease demises as a Restaurant.

Dated:_____

_____

_____, Lessor

ATTACHMENT C TO THE FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP INTERESTS AND FRANCHISEE'S PRINCIPALS

A. The following is a list of all shareholders, partners or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest:

Name	Percentage of Ownership/Nature of Interest

B. In addition to the persons listed in paragraph A., the following is a list of all of Franchisee's Principals described in and designated pursuant to Section 19.17 of the Franchise Agreement. Unless designated as a Controlling Principal, each of Franchisee's Principals shall execute the Confidentiality and Non-Competition Agreement substantially in the form set forth in Attachment D (see Sections 10.2.2 and 10.3.4 of the Franchise Agreement):

ATTACHMENT D TO THE FRANCHISE AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(for trained employees, shareholders, officers, directors, general partners, members and managers of Franchisee)

In consideration of my being a _____of _____ ("Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a Franchise Agreement dated _____ (the "Franchise Agreement"), Franchisee has acquired the right and franchise from Early Bird Corporate, LLC (the "Company") to establish and operate an Early Bird Restaurant (the "Franchised Business") and the right to use in the operation of the Franchised Business the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and Accepted Location: _____ (the "Accepted Location").

2. The Company, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Franchised Businesses offering breakfast and lunch menus as well as beer, wine and cocktails. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, recipes, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information").

3. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

4. As _____ of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me training programs, the Company's Confidential Operations Manuals (the "Manuals"), and other general assistance during the term of the Franchise Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as _____ of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any food service business which: (a) is the same as, or substantially similar to, a Franchised Business; or (b) offers to sell or sells any products or services which are the same as, or substantially similar to, any of the products offered by a Franchised Business (a "Competitive Business"); and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within:

7.1 Franchisee's Territory, as defined in the Franchise Agreement ("Franchisee's Territory");

7.2 Twenty (20) miles of Franchisee's Territory; or

7.3 Twenty (20) miles of any Franchised Business operating under the System and the Proprietary Marks.

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Franchised Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

9. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

11. This Agreement shall be construed and governed under the laws of the State of Nebraska, without regard to the application of Nebraska conflict of law rules. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

_____
Signature

_____
Name

_____
Address

_____
Title

ACKNOWLEDGED BY FRANCHISEE

By:_____

Name:_____

Title:_____

ATTACHMENT E TO THE FRANCHISE 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 _____ (the "Effective Date"), by and between Early Bird Corporate, LLC, a Nebraska limited liability company (the "Franchisor"), and _____, a _____ (the "Franchisee").

WITNESSETH:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for an Early Bird 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 (whether in accordance with or in violation of 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 Franchised Business or the Marks (all of which right, title, and interest is referred to herein as "Franchisee's Interest").

2.2 Transfer. Upon termination or expiration of the Franchise Agreement, or upon periodic request of the Franchisor, the Franchisee will promptly direct all Internet Service Providers, domain name registries, Internet search engines, and other listing agencies (collectively, the "Internet Companies") with which the 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 irrevocably 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 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, claims, 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 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, and any disputes or claims arising out of or in connection with it, shall be governed by and construed under the laws of the State of Nebraska, without regard to the application of Nebraska conflict of law rules. Any legal action or proceeding related to this Agreement shall be instituted exclusively in a state or federal court in Nebraska, and each party irrevocably consents to jurisdiction therein and waives any objection to venue or claims of forum non conveniens.

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

EARLY BIRD CORPORATE, LLC:	FRANCHISEE:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the "Telephone Listing Agreement") is made and entered into as of the _____ (the "Effective Date"), by and between Early Bird Corporate, LLC, a Nebraska limited liability company (the "Franchisor"), and _____, a _____ (the "Franchisee").

WITNESSETH:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for an Early Bird 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 be defined as the voluntary termination, involuntary termination, non-renewal, 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 Franchised Business or the 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, claims, 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 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 Nebraska, without regard to the application of Nebraska conflict of law rules.

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

EARLY BIRD CORPORATE, LLC:	FRANCHISEE:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

ATTACHMENT F TO THE FRANCHISE AGREEMENT
POWER OF ATTORNEY (TAX)

IRREVOCABLE POWER OF ATTORNEY

STATE OF _____)
)
COUNTY OF _____)

KNOW ALL MEN BY THESE PRESENTS

That _____, a _____ ("Franchisee"), together with its successors and assigns, does hereby irrevocably constitute and appoint Early Bird Corporate, LLC, a Nebraska limited liability company ("Franchisor"), and its successors and assigns, as its 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 as of the _____ day of _____, 20___.

_____, a
_____

By:_____
Name:_____
Title:_____

ATTACHMENT G TO THE FRANCHISE AGREEMENT

TRANSFER OF A FRANCHISE TO A
CORPORATION OR LIMITED LIABILITY COMPANY

This Transfer Agreement shall amend that certain Franchise Agreement between _____ ("Franchisee"), and Early Bird Corporate, LLC ("Franchisor").

The undersigned, an Officer, Director and Owner of a majority of the issued and outstanding voting stock of the Corporation set forth below, or Members of the issued and outstanding Interests of the Limited Liability Company set forth below, and the Franchisee of the Restaurant under a Franchise Agreement executed on the date set forth below, between himself or herself and Franchisor, granting him/her a franchise to operate at the location set forth below, and the other undersigned Directors, Officers and Shareholders of the Corporation, or the Members of the Limited Liability Company, who together with Franchisee constitute all of the Shareholders of the Corporation, or the Members of the Limited Liability Company, in order to induce Franchisor to consent to the assignment of the Franchise Agreement to the Corporation or Limited Liability Company in accordance with the provisions of Article 14 of the Franchise Agreement, agree as follows:

1. The undersigned Franchisee shall remain personally liable in all respects under the Franchise Agreement and all the other undersigned Officers, Directors and Shareholders of the Corporation, or the Members of the Limited Liability Company, intending to be legally bound hereby, agree jointly and severally to be personally bound by the provisions of the Franchise Agreement including the restrictive covenants contained in Article 10 thereof, to the same extent as if each of them were the Franchisee set forth in the Franchise Agreement and they jointly and severally personally guarantee all of the Franchisee's obligations set forth in said Agreement.

2. The undersigned agree not to transfer any stock in the Corporation, or any interest in the Limited Liability Company without the prior written approval of the Franchisor and agree that all stock certificates representing shares in the Corporation, or all certificates representing interests in the Limited Liability Company shall bear the following legend:

> "The shares of stock represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated _____, 20__ between _____ and Early Bird Corporate, LLC."
>
> or
>
> "The ownership interests represented by this certificate are subject to the terms and conditions set forth in a Franchise Agreement dated _____, 20__ between _____ and Early Bird Corporate, LLC."

3. _____ or his designee shall devote his best efforts to the day-to-day operation and development of the Restaurant.

4. _____ hereby agrees to become a party to and to be bound by all of the provisions of the Franchise Agreement executed on the date set forth below between Franchisee and Franchisor, to the same extent as if it were named as the Franchisee therein.

Date of Franchise Agreement: _____

Location of Restaurant: _____

As to Paragraph 3:

_____
[Name]

As to Paragraph 4:

_____
[Name]

_____
Name of Corp. or Limited Liability Company

By:_____
Title:_____

In consideration of the execution of the above Agreement, Early Bird Corporate, LLC hereby consents to the above referred to assignment on this _____.

EARLY BIRD CORPORATE, LLC

By:_____
Name:_____
Title:_____

ATTACHMENT H TO THE FRANCHISE AGREEMENT
FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

DO NOT SIGN THIS ACKNOWLEDGMENT STATEMENT IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON OR WISCONSIN.

As you know, Early Bird Corporate, LLC (the "Franchisor") and you are preparing to enter into a franchise agreement (the "Franchise Agreement") for the establishment and operation of an Early Bird Restaurant (the "Franchised Business"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor ("Broker") that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

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

Yes _____ No _____

2. I had my first face-to-face meeting with a Franchisor representative on _____, 20___.

3. Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

4. Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, any Addendum, and/or related agreement do you not understand? (Attach additional pages, if necessary.)

_____

_____

_____

_____
_____
_____

5. Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes _____ No _____

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

Yes _____ No _____

7. Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if necessary.)

_____
_____
_____
_____
_____
_____

8. Have you discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

9. Do you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

11. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

12. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

13. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document?

Yes _____ No _____

14. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business?

Yes _____ No _____

15. Has any employee of a Broker or other person speaking on behalf of the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement?

Yes _____ No _____

16. Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

17. Have you paid any money to the Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

18. Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who? _____

_____

If you have answered No to question 9, or Yes to any one of questions 10-17, please provide a full explanation of each answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered Yes to question 9, and No to each of questions 10-17, please leave the following lines blank.

_____

_____

_____

_____

I signed the Franchise Agreement and Addendum (if any) on _____, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by the Franchisor.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. In addition, by signing this Questionnaire, you also acknowledge that:

A. You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

B. You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings. If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None".

_____

_____

_____

C. You further acknowledge that 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____.

Sign here if you are taking the franchise as a

INDIVIDUAL

_____
Signature

Print Name_____

_____
Signature

Print Name_____

_____
Signature

Print Name_____

_____
Signature

Print Name_____

Sign here if you are taking the franchise as a CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

_____
Print Name of Legal Entity

By:_____
Signature

Print Name_____

Title_____

ATTACHMENT I TO THE FRANCHISE AGREEMENT
ADA CERTIFICATION

Early Bird Corporate, LLC ("Franchisor") and _____ ("Franchisee") are parties to a franchise agreement dated _____ for the operation of an Early Bird Restaurant at _____ (the "Franchised Business"). In accordance with Section 2.3 of the Franchise Agreement, Franchisee certifies to Franchisor that, to the best of Franchisee's knowledge, the Franchised Business 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 contractor and the requirement of this certification by Franchisee does not constitute ownership, control, leasing or operation of the Franchised Business. Franchisee acknowledges that Franchisee has relied on the information contained in this certification. Furthermore, Franchisee acknowledge its obligation under this 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.

FRANCHISEE

By:_____
Name:_____
Title:_____

EXHIBIT C

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF MULTI-UNIT OPERATOR AGREEMENT

EARLY BIRD CORPORATE, LLC

MULTI-UNIT OPERATOR AGREEMENT

_____

MULTI-UNIT OPERATOR

_____

DATE OF AGREEMENT

EARLY BIRD CORPORATE, LLC

MULTI-UNIT OPERATOR AGREEMENT

THIS MULTI-UNIT OPERATOR AGREEMENT ("Agreement") is made and entered into the _____, between Early Bird Corporate, LLC, a Nebraska limited liability company having its principal place of business at 8264 Hascall Street, Suite 204, Omaha, NE 68124 ("we", "us" or "our"), and _____ whose principal address is _____ (hereinafter "you" or "your").

WITNESSETH:

WHEREAS, as the result of the expenditure of time, skill, effort and money, we and our affiliate have developed and own a unique and distinctive system (hereinafter "System") relating to the establishment and operation of a full service restaurant operating under the name "Early Bird" offering breakfast and lunch menus as well as beer, wine and cocktails for dine-in or take-out ("Restaurant" or "Franchised Business");

WHEREAS, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "Early Bird" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks");

WHEREAS, we and our affiliate continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service; and

WHEREAS, you wish to obtain certain development rights to open and operate Restaurants operating under the Marks and the System within the Development Area described in this Multi-Unit Operator Agreement.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party stated herein, hereby agree as follows:

SECTION 1
GRANT

1.1 We hereby grant to you, pursuant to the terms and conditions of this Multi-Unit Operator Agreement, certain development rights ("Development Rights") to establish and operate _____ (_____) franchised Restaurants, and to use the Marks and System solely in connection therewith, at specific locations to be designated in separate Franchise Agreements executed as provided in Section 3.1 hereof, and pursuant to the schedule established in Attachment D of this Agreement (hereinafter "Minimum Performance Schedule"). Each Restaurant developed hereunder shall be located in the area described in

Attachment E of this Agreement (hereinafter "Development Area"). The Minimum Performance Schedule shall be deemed completed, and this Agreement shall expire, upon the opening of the last Early Bird Restaurant to be developed hereunder.

1.2 Each Restaurant for which a Development Right is granted hereunder shall be established and operated pursuant to a Franchise Agreement to be entered into between you and us in accordance with Section 3.1 hereof.

1.3 Except as otherwise provided in this Agreement, we shall not establish, nor franchise anyone other than you to establish, a Restaurant in the Development Area during the term of this Agreement, provided you are not in default hereunder.

1.4 This Agreement is not a Franchise Agreement and does not grant to you any right to use the Marks or System.

1.5 You shall have no right under this Agreement to franchise others under the Marks or System.

SECTION 2
DEVELOPMENT FEE

In consideration of the development rights granted herein, you shall pay to us a Development Fee of _____ Thousand Dollars ($_____), payable in full upon execution of this Agreement ("Development Fee"). Notwithstanding the terms of Developer's individual Franchise Agreements, Developer shall not be required to pay any additional "initial franchise fee" for franchised restaurants opened pursuant to this Agreement. The Development Fee is deemed fully earned and non-refundable upon payment.

SECTION 3
SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

3.1 You shall assume all responsibility and expense for locating potential sites for Restaurants and shall submit to us for our evaluation and approval, in the form specified by us, a description of the site, the terms of the lease or purchase, a market feasibility study for the site and such other information and materials as we may reasonably require, together with a letter of intent or other evidence satisfactory to us which confirms your favorable prospects for obtaining the site. We shall have thirty (30) days after receipt of such information and materials from you to accept or decline the site in our sole discretion. If the site is accepted, you will then be presented with the Franchise Agreement for execution.

3.2 Recognizing that time is of the essence, you agree to exercise each of the Development Rights granted hereunder in the manner specified herein, and in accordance with the Minimum Performance Schedule. Your failure to adhere to the Minimum Performance Schedule shall constitute a default under this Agreement as provided in Section 9.1 hereof. Under no circumstances may you open a Restaurant for business unless and until there is a fully executed Franchise Agreement in place for such Restaurant and we have been paid all amounts payable to us upon execution of such Agreement.

3.3 You shall exercise each Development Right granted herein only by executing a Franchise Agreement for each Restaurant at a site approved by us in the Development Area as hereinafter provided within ten (10) days after receipt of said Franchise Agreement from us for the approved site and return same to us for our execution. The Franchise Agreement for the first Development Right exercised hereunder has been executed contemporaneously with this Agreement. The Franchise Agreement for each additional

Development Right exercised hereunder shall be the then-current Franchise Agreement, subject to any non-material changes therein which are required to be made by changes in any applicable law, regulation or ordinance in effect from time to time. In the event we do not receive the properly executed Franchise Agreement with the appropriate number of copies within said ten (10) days from delivery thereof to you, our approval of the site shall be void and you shall have no rights with respect to said site.

3.4 You acknowledge that the approval of a particular site for a Restaurant by us shall not be deemed to be an assurance or guaranty that the Restaurant will operate successfully or at a profit from such site.

3.5 You shall be required to execute each Franchise Agreement and own a minimum of fifty-one percent (51%) of the issued and outstanding stock for each Restaurant to be opened pursuant to said Franchise Agreement. In no event shall you relinquish control over each or any entity operating each Restaurant except pursuant to an authorized transfer, as described in Section 11.

SECTION 4
DEVELOPMENT RIGHTS AND OBLIGATIONS

4.1 Subject to the provisions of this Agreement and your continued compliance with all terms and conditions herein, we grant to you the Development Rights, as described in Section 1.1. Notwithstanding any other provision of this Agreement, Development Rights under this Agreement may or may not, in our sole discretion, include the right to develop Restaurants at any "Non-Traditional Sites". Non-Traditional Sites include without limitation military bases, hotels, high school and college campuses, airports, train stations, travel plazas, toll roads, prisons, hospitals, convenience stores, casinos, sports or entertainment venues or stadiums, and retail restaurant locations being sublet under a lease to a master concessionaire, whether currently existing or constructed or established subsequent to the date hereof.

4.2 Provided you are and remain in full compliance with all the terms and conditions of this Agreement, including without limitation your development obligations described in Section 3.2 and the Minimum Performance Schedule, and you are in full compliance with all of your obligations under all franchise agreements executed pursuant to this Agreement, then during the term of this Agreement neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of Restaurants within the Development Area, except the franchises that are granted to you pursuant to this Agreement and except as otherwise expressly provided in this Agreement.

4.3 Upon the termination or expiration of this Agreement, we and our affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, Restaurants within the Development Area subject only to the territorial rights granted to you with respect to Restaurants operated by you pursuant to the Franchise Agreements and subject, further, to the right of first refusal described in Section 6 below.

4.4 Except as expressly limited by Section 3.2 above, we and our affiliates retain all rights with respect to Restaurants, the Marks and the sale of any goods and services, anywhere in the world, including, without limitation, the right:

4.4.1 to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, both within and outside the Development Area, and under any terms and conditions we deem appropriate. "Alternative distribution channels" include, but are not limited to, the Internet, catalog sales, grocery stores, club stores, telemarketing or other direct marketing sales;

4.4.2 to operate and to grant others the right to operate Restaurants located outside the Development Area under any terms and conditions we deem appropriate and regardless of proximity to a Restaurant;

4.4.3 to operate and to grant others the right to operate Restaurants at Non-Traditional Sites within and outside the Development Area under any terms and conditions we deem appropriate; and

4.4.4 to acquire and operate a business operating one or more restaurants or food service businesses located or operating in the Development Area.

SECTION 5
RENEWAL

This Agreement shall not be subject to renewal; however, if you wish to purchase a new Development Area and continue to develop Restaurants, we will, in good faith, negotiate a new Multi-Unit Operator Agreement with you.

SECTION 6
TERM AND RIGHT OF FIRST REFUSAL

6.1 Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all Development Rights granted hereunder shall expire on the date the last Restaurant is opened pursuant to the Minimum Performance Schedule established in Attachment D.

6.2 If, during the term of this Agreement, a Non-Traditional Site becomes available in your Development Area, then we may, in our sole discretion, offer to you the opportunity to develop a Restaurant at such Non-Traditional Site. You shall have thirty (30) days after receipt of our written notice in which to accept or decline this right of first refusal by providing written notice to us. Your failure to notify us within such thirty (30) day period shall be interpreted that you have declined the right of first refusal. Nothing in this Agreement shall require us to provide you with a right of first refusal for a Non-Traditional Site.

6.3 Upon completion of the Minimum Performance Schedule, if we determine that it is desirable to operate one or more additional Restaurants in the Development Area, and provided you have timely complied with the Minimum Performance Schedule and are then in compliance with all terms and conditions of all Franchise Agreements, you shall have a right of first refusal to obtain the Development Rights to such additional Restaurant(s) upon such reasonable terms and conditions as are then determined by us including, but not limited to, the imposition of a new Development Fee and the payment of the then-current initial fees upon execution of the then-current Franchise Agreement. In such case, we shall advise you in writing of the terms and conditions for the acquisition of the Development Rights for such additional Restaurant(s). You must notify us in writing within sixty (60) days of the receipt of such notice whether you wish to acquire the Development Rights to one or all of such additional Restaurant(s). If you do not exercise this right of first refusal, in whole, we may, following the expiration of the sixty (60) day period, grant the Development Rights to such additional Restaurant(s) to any other person or persons on the same terms and conditions or we may elect to develop and construct any of such additional Restaurant(s).

SECTION 7
YOUR OBLIGATIONS

7.1 You acknowledge and agree that:

7.1.1 Except as otherwise provided herein, this Agreement includes only the right to select sites for the establishment of Restaurants and to submit the same to us for our approval in accordance with the terms of this Agreement. This Agreement does not include the grant of a license by us to you of any rights to use the Marks, the System, or to open or operate any Restaurants within the Development Area. You shall obtain the license to use such additional rights at each Restaurant upon the execution of each Franchise Agreement by both you and us and only in accordance with the terms of each Franchise Agreement.

7.1.2 The Development Rights granted hereunder are personal to you and cannot be sold, assigned, transferred or encumbered, in whole or in part, except as stated in Section 11 hereof.

7.1.3 Except as provided in Sections 6.1 and 6.2 hereof, the Development Rights granted hereunder are non-exclusive, and we retain the right, in our sole discretion:

(a) To continue to construct and operate other Restaurants and to use the System and the Marks at any location outside the Development Area, and to license others to do so.

(b) To develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights not designated by us as Marks for use with different franchise systems for the sale of the different products or services not in connection with the System at any location, on such terms and conditions as we may deem advisable and without granting you any rights therein.

(c) To develop, merchandise, sell and license others to sell any of our products, proprietary or otherwise, presently existing or to be developed in the future, to the public through alternative distribution channels outside or inside of the Development Area and to use the Marks in connection therewith.

7.1.4 You have sole responsibility for the performance of all obligations arising out of the operation of your business pursuant to this Agreement, including, but not limited to, the payment when due of any and all taxes levied or assessed by reason of such operation.

7.1.5 In all public records, in your relationship with other persons, and in any documents, you shall indicate clearly the independent ownership of your business and that the operations of said business are separate and distinct from the operation of an Early Bird Restaurant.

7.1.6 You shall at all times preserve in confidence any and all materials and information furnished or disclosed to you by us and you shall disclose such information or materials only to such of your employees or agents who must have access to it in connection with their employment. You shall not at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person.

7.1.7 You shall comply with all requirements of federal, state and local laws, rules and regulations.

7.1.8 You shall at no time have the right to sub-franchise any of your Development Rights hereunder.

7.1.9 In no event shall any Restaurant be opened for business unless and until a Franchise Agreement for such Restaurant has been fully executed, the initial franchise fee for such

Restaurant has been paid, and all necessary permits and licenses for the operation of the Restaurant have been obtained.

SECTION 8
OUR SERVICES

We shall, at our expense, provide the following services:

8.1 Review your site selection for conformity to our standards and criteria for selection and acquisition of sites upon our receipt of your written request for approval thereof.

8.2 Assist you in determining the layout and configuration of each Restaurant once the location has been approved. After you and we have determined the layout and configuration of each Restaurant, you must arrange for site plan and build-out plans and specifications to be prepared and submitted to us for our review.

8.3 Review of your site plan and final build-out plans and specifications for conformity to the construction standards and specifications of the System, upon our receipt of your written request for approval thereof.

8.4 Provide such other resources and assistance as may hereafter be developed and offered by us to our other multi-unit operators.

SECTION 9
DEFAULT AND TERMINATION

9.1 The occurrence of any of the following events of default shall constitute good cause for us, at our option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement upon notice to you without opportunity to cure the default, except where prohibited by any applicable state or federal law, whereupon this Agreement shall be terminated in accordance with the provisions of any such law:

9.1.1 If you shall, in any respect, fail to meet the Minimum Performance Schedule.

9.1.2 If you shall purport to effect any assignment other than in accordance with Section 11 hereof.

9.1.3 Except as provided in Section 11 hereof, if you attempt to sell, assign, transfer or encumber this Agreement prior to the time that at least twenty-five percent (25%) of the Restaurants to be constructed and opened for business in accordance with the Minimum Performance Schedule are, in fact, open or under construction.

9.1.4 If you make, or have made, any material misrepresentation to us in connection with obtaining this Multi-Unit Operator Agreement, any site approval hereunder, or any Franchise Agreement.

9.1.5 If you default in the performance of any obligation under any Franchise Agreement with us, provided such default results in the termination of the Franchise Agreement.

9.1.6 If you suffer a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Restaurant, and permit the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance,

rule or regulation, and you promptly resort to courts or forums of appropriate jurisdiction to contest such violation or legality.

9.1.7 If you or an owner of yours owning a twenty-five percent (25%) or more interest in you is convicted in a court of competent jurisdiction of an indictable offense punishable by a term of imprisonment in excess of one (1) year.

9.1.8 If you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within thirty (30) days; or if the real or personal property of the business shall be sold after levy thereupon by any sheriff, marshal, or constable.

9.1.9 If you, or any shareholder or principal, if you are corporate entity, or any of your affiliates cease to operate all of the Restaurants developed pursuant to the terms of this Agreement.

9.2 Upon occurrence of any of the events stated in this Section 9.2, we may, without prejudice to any other rights or remedies contained in this Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective thirty (30) days after written notice (or such other notice as may be required by applicable state law) is given by us to you of any of such events, if such defaults are not cured within such period:

9.2.1 If you shall use the System or Marks, or any other names, marks, systems, insignia, symbols or rights which are our property except pursuant to, and in accordance with, a valid and effective Franchise Agreement.

9.2.2 If you, or persons controlling, controlled by or under common control with you, shall have any interest, direct or indirect, in the ownership or operation of any food service business engaged in the sale of products similar to those permitted to be sold by you within the Development Area or in any food service business which looks like, copies or imitates the Restaurant or operates in a manner tending to have such effect other than pursuant to a valid and effective Franchise Agreement with us.

9.2.3 If you shall fail to remit to us any payments pursuant to Section 2 when same are due.

9.2.4 If you shall begin work upon any Restaurant at any site unless all the conditions stated in Section 3 hereof have been met.

9.2.5 If you fail to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement.

9.2.6 If you default in the performance of any other obligation under this Agreement.

9.2.7 If you open any Restaurant for business before a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee due to us has been paid.

SECTION 10
OBLIGATIONS FOLLOWING TERMINATION

10.1 Upon termination of this Agreement becoming effective for any reason, or upon expiration of the term hereof, you agree as follows:

10.1.1 To cease immediately any attempts to select sites on which to establish Restaurants.

10.1.2 To cease immediately to hold yourself out in any way as a multi-unit operator of ours or to do anything which would indicate a relationship between you and us.

10.2 No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or in equity.

SECTION 11
TRANSFER OF INTEREST

11.1 This Agreement is personal to you and you shall neither sell, assign, transfer nor encumber this Agreement, the Development Rights, or any other interest hereunder, nor suffer or permit any such assignment, transfer or encumbrance to occur directly, indirectly or contingently by agreement or by operation of law without our prior written consent, which may be withheld in our sole discretion. You understand that this Agreement may not be pledged, mortgaged, hypothecated, given as security for an obligation or in any manner encumbered. The assignment or transfer of any interest, except in accordance with this Section shall constitute a material breach of this Agreement.

11.2 In the event that you are a corporation or desire to conduct business in a corporate capacity, said corporate entity or assignment to a corporate entity (which may include a corporation, limited liability company or partnership) must receive our prior written approval and you agree to comply with the provisions hereinafter specified, including without limitation, personal guarantees by one or more equity owners of all of the obligations of said corporate entity or assignee corporate entity to us and other parties designated by us. The corporate entity or assignee corporate entity shall not engage in any business activities other than those directly related to the operation of the Restaurant(s) pursuant to the terms and conditions of the Franchise Agreements with us, and all assets related to the operation of the Restaurant(s) shall be held by the corporate entity or assignee corporate entity. There shall be no transfer fee charged by us for a one (1) time assignment to a corporate entity.

11.3 If you are a corporation or if your rights hereunder are assigned to a corporate entity, you or those individuals disclosed on Attachment "B" attached hereto shall be the legal and beneficial owner of not less than fifty-one percent (51%) of the outstanding equity of said entity and shall act as such entity's principal officer. The assignment to a corporate entity will not relieve you of personal liability to us for performance of any of the obligations under this Agreement. Any subsequent transfer of voting rights of the equity of the entity or assignee entity, and any transfer or issuance of equity of the entity or assignee entity shall be subject to our prior written approval, which approval shall be granted or withheld based on our reasonable business judgment considering the criteria set forth in this Section 11, including without limitation the reputation, character, financial capacity, and operational ability of the proposed transferee or new equity holder. Any equity of such corporate entity or assignee corporate entity shall not be sold, transferred or assigned to a business competitor of ours, and we may withhold our approval of any proposed

equity holder who does not meet our then-current franchisee qualification criteria. The articles of organization and governing documents (including by-laws, operating agreement or partnership agreement) of the entity or assignee entity shall reflect that the issuance and transfer of equity is restricted, and all certificates shall bear the following legend, which shall be printed legibly and conspicuously on each certificate:

> **"The transfer of this certificate is subject to the terms and conditions of a Multi-Unit Operator Agreement with Early Bird Corporate, LLC dated _____. Reference is made to said Multi-Unit Operator Agreement and related Franchise Agreements and to restrictive provisions of the governing documents of this entity."**

11.4 The entity or assignee entity's records shall indicate that a stop transfer order shall be in effect against the transfer of any equity, except for transfers permitted by this Section 11. In addition to the foregoing, the equity of such entity or assignee entity shall not be publicly sold or traded.

11.5 In the event of your death, disability or permanent incapacity, we shall consent to the transfer of all of your interest to your spouse, heirs or relatives by blood or marriage, or if this Agreement was originally executed by more than one party, then to the remaining party(ies) who originally executed this Agreement, whether such transfer is made by your Last Will and Testament or by operation of law, provided that: (i) the requirements of this Section 11 have been met; and (ii) such transferee meets our then-current qualifications for multi-unit operators and executes our then-current form of Multi-Unit Operator Agreement. In the event that your heirs do not obtain our consent as prescribed herein, your personal representative shall have a reasonable time to dispose of your interest hereunder, which disposition shall be subject to all the terms and conditions for transfers under this Agreement.

11.6 You have represented to us that you are entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights hereunder. Therefore, you agree that any attempt to assign this Agreement, prior to the time that at least twenty-five percent (25%) of the Restaurant(s) to be constructed hereunder are opened or under construction, except pursuant to Sections 11.2 and 11.3 hereof, shall be deemed to be an event of default.

11.7 Except as provided in Section 11.6, if you receive from an unaffiliated third party and desire to accept a bona fide written offer to purchase your business, Development Rights and interests, we shall have the option, exercisable within thirty (30) days after receipt of written notice setting forth the name and address of the prospective purchaser, the price and terms of such offer, and a copy of such offer and the other information stated in this Section 11.7, to purchase such business, Development Rights and interests, including your right to develop sites within the Development Area, on the same terms and conditions as offered by said third party. In order that we may have information sufficient to enable us to determine whether to exercise this option, we may require you to deliver to us certified financial statements as of the end of your most recent fiscal year and such other information about your business and operations as we may request. If we decline or do not accept the offer in writing within thirty (30) days, you may, within thirty (30) days from the expiration of the option period, sell, assign and transfer your business, Development Rights and interest to said third party, provided we have consented to such transfer as required by this Section 11. Any material change in the terms of the offer prior to closing of the sale to such third party shall constitute a new offer, subject to the same rights of first refusal by us or our nominee, as in the case of an initial offer. Our failure to exercise the option afforded by this Section 11.7 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section with respect to the proposed transfer.

11.8 You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Development Rights, the System and the Marks, as well as our reputation and image, and are for the protection of us, you and other multi-unit operators and franchisees. Any assignment or transfer permitted by this Section 11 shall not be effective until we receive a completely executed copy of all transfer documents, and we consent in writing thereto.

11.9 Except as provided in Section 11.6 hereof, we agree not to unreasonably withhold our consent to a sale, assignment or transfer by you hereunder; provided, however, that our consent shall not be required to be given unless all of the conditions set forth in Sections 11.9.1 through 11.9.7 are satisfied, and our determination of whether such conditions are satisfied shall be made in our sole and absolute discretion. Consent to such transfer otherwise permitted or permissible as reasonable may be refused unless:

11.9.1 All of your obligations created by this Agreement, all other franchise documents, including all Franchise Agreements, and the relationship created hereunder are assumed by the transferee.

11.9.2 All ascertained or liquidated debts of you to us or our affiliated or subsidiary corporations are paid.

11.9.3 You are not in default hereunder.

11.9.4 We are reasonably satisfied that the transferee meets all of our requirements for new multi-unit operators, including but not limited to, good reputation and character, business acumen, operational ability, management skills, financial strength and other business considerations.

11.9.5 Transferee executes or, in appropriate circumstances, causes all necessary parties to execute, our standard form of Multi-Unit Operator Agreement, Franchise Agreements for all Restaurants open or under construction hereunder, and such other then-current ancillary agreements being required by us of new multi-unit operators on the date of transfer.

11.9.6 You execute a general release, in a form satisfactory to us, of any and all claims against us, our officers, directors, employees and principal stockholders of any and all claims and causes of action that you may have against us or any subsidiary or affiliated corporations in any way relating to this Agreement or the performance or non-performance thereof by us.

11.9.7 You or transferee pay to us a transfer fee in the amount of Twenty Five Thousand Dollars ($25,000) to cover our reasonable costs in effecting the transfer and in providing training and other initial assistance to transferee.

11.10 Upon the death or mental incapacity of any person with an interest of more than fifty percent (50%) in this Agreement or in you, the executor, administrator or personal representative of such person shall transfer his interest to a third party approved by us within twelve (12) months. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any *inter vivos* transfer. However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions stated in Section 11.1 hereof, the personal representative of the deceased shall have a reasonable time, not to exceed twelve (12) months from the date said personal representative is appointed, to dispose of the deceased's interest in you or in the Development Rights, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. It is understood and agreed, however, that notwithstanding the foregoing, the Minimum Performance Schedule shall be complied with as though no such death or mental incapacity had occurred. In the event the interest described above is not disposed of within such time, we shall have the right to terminate this Agreement, provided such termination had not previously occurred for failure to perform

pursuant to the Minimum Performance Schedule, upon ninety (90) days' notice to your representative, or we shall have the right to re-purchase same at the same price being sought by your representative.

11.11 Our consent to a transfer of any interest in you or in the Development Rights pursuant to this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferee.

11.12 We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (i) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (ii) the assignee shall expressly assume and agree to perform such obligations.

You expressly affirm and agree that we may sell our assets, our rights to the Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of "Early Bird Corporate, LLC" as Franchisor. Nothing contained in this Agreement shall require us to remain in the restaurant business or to offer the same products and services, whether or not bearing the Marks, in the event that we exercise our right to assign our rights in this Agreement.

SECTION 12
COVENANTS

12.1 You specifically acknowledge that, pursuant to this Agreement, you will receive valuable training and confidential information, including, without limitation, secret recipes, information regarding the marketing methods and techniques of us and the System. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you and persons controlling, controlled by or under common control with you shall not, either directly or indirectly, for yourself/himself, or through, on behalf of or in conjunction with any person, persons or legal entity:

12.1.1 Divert or attempt to divert any business or client of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

12.1.2 Own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any restaurant or food service business other than the Franchised Business (including any business operated by you prior to entry into this Agreement), which business is of a character and concept similar to the Restaurant, including a restaurant which offers and sells the same or substantially similar food products (a "Competitive Business").

12.2 You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement, and continuing for two (2) years thereafter (and, in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for yourself, or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own, maintain, advise, help, invest in,

make loans to, be employed by, engage in or have any interest in any Competitive Business which is located within twenty (20) miles of any Early Bird Restaurant in the System.

12.3 Subsections 12.1.3 and 12.2 of this Section shall not apply to ownership by you of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation which is registered under the Securities Exchange Act of 1934.

12.4 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 12 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 12.

12.5 You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant stated in Sections 12.1 and 12.2 or any portion thereof, without your consent, effective immediately upon receipt by you of written notice thereof, and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 16 hereof.

12.6 You expressly agree that the existence of any claim you may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section 12.

12.7 You acknowledge that any failure to comply with the requirements of this Section 12 would cause us irreparable injury for which no adequate remedy at law may be available, and you hereby accordingly consent to our seeking injunctive relief prohibiting any conduct by you in violation of the terms of this Section 12. We may further avail ourselves of any other legal or equitable rights and remedies which we may have under this Agreement or otherwise.

12.8 At our request, you shall require and obtain the execution of covenants similar to those described in this Section 12 (including covenants applicable upon the termination of a person's relationship with you) from any or all of the following persons:

12.8.1 All managers, chefs and other personnel in your Restaurants who have received training from us;

12.8.2 All officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of you and of any entity directly or indirectly controlling you, if you are a corporation or limited liability company; and

12.8.3 The general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if you are a partnership.

Each covenant required by this Section 12.8 shall be in a form satisfactory to us, including, without limitation, specific identification of us as a third party beneficiary of such covenants with the independent right to enforce them. Your failure to obtain execution of a covenant required by this Section 12.8 shall constitute a breach of this Agreement.

12.9 During the term of this Agreement, an officer or agent of ours shall have the right to inspect any Restaurant in which you have an interest at reasonable times and during normal business hours to the extent reasonably necessary to determine whether the conditions of this Section 12 are being satisfied. If, by reason of such inspections or otherwise, we have reason to believe that you are not in full compliance with the terms of this Section, we shall give notice of such default to you, specifying the nature of such default. If you deny that you are in default hereunder, as specified by us, you shall have the burden of establishing that such default does not exist and shall give notice to us of your position within ten (10) days of receipt of the notice from us. Unless you so deny such default, you shall immediately take all steps to cure said default in a manner satisfactory to us.

SECTION 13
NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor: Early Bird Corporate, LLC
8264 Hascall Street, Suite 204
Omaha, NE 68124
ATTENTION: President

Notices to the Multi-Unit Operator: _____
_____
_____

Any notice by certified or registered mail shall be deemed to have been given at the date and time of mailing.

SECTION 14
INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14.1 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other.

14.2 You shall hold yourself out to the public to be an independent contractor operating pursuant to this Agreement. You agree to take such actions as shall be necessary to that end.

14.3 You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, nor shall be deemed liable by reason of, any act or omission of yours or any claim or judgment arising therefrom. You shall indemnify and hold us and our officers, directors, employees, agents and affiliates harmless against any and all claims, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and costs) arising directly or indirectly from, as a result of, or in connection with your activities hereunder or your breach of this Agreement, except to the extent such claims result solely from our gross negligence or willful misconduct or infringement actions regarding the Marks which are caused solely by our actions.

SECTION 15
APPROVALS

15.1 Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us for such approval or consent, and, except as otherwise provided herein, any approval or consent granted shall be in writing.

15.2 We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advise, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

SECTION 16
NON-WAIVER

No failure of ours to exercise any power reserved to us under this Agreement or to insist upon compliance by you with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our rights to demand exact compliance with the terms of this Agreement. Our waiver of any particular default shall not affect or impair our right with respect to any subsequent default of the same or of a different nature; nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of any of the terms, provisions or covenants of this Agreement affect or impair our rights, nor shall such constitute a waiver by us of any rights hereunder or rights to declare any subsequent breach or default.

SECTION 17
SEVERABILITY AND CONSTRUCTION

17.1 Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement. The provisions of this Agreement shall be deemed severable.

17.2 If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which we are a party, you expressly agree to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision, as if that lesser covenant or provision were separately stated in and made a part of this Agreement.

17.3 Nothing in this Agreement shall confer upon any person or legal entity other than us or you, and such of our respective successors and assigns as may be contemplated by Section 11 hereof, any rights or remedies under or by reason of this Agreement.

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

17.5 All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by you shall be deemed jointly and severally undertaken by all those executing this Agreement on your behalf.

17.6 This Agreement may be executed in multiple copies, each of which shall be deemed an original.

SECTION 18
ENTIRE AGREEMENT; APPLICABLE LAW

This Agreement, the documents referred to herein and the Attachments attached hereto constitute the entire, full and complete agreement between us and you concerning the subject matter hereof and supersede any and all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. This Agreement shall be interpreted and construed under the laws of the State of Nebraska, and the parties hereto consent to irrevocably submit to the jurisdiction of all courts located within the County of Douglas, Nebraska.

SECTION 19
DISPUTE RESOLUTION

19.1 Except to the extent we elect to enforce the provisions of this Agreement by judicial process and injunction in our sole discretion, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be settled by binding arbitration in Nebraska under the authority of Nebraska Statutes. The arbitrator(s) will have a minimum of five (5) years experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Nebraska Statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Nebraska Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement.

19.2 With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you and your owners hereby irrevocably submit themselves to the jurisdiction of the state courts and the Federal District Court closest to our headquarters. You and your owners hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You and your owners hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by Nebraska or federal law. You and your owners further agree that venue for any proceeding relating to or arising out of this Agreement shall be Douglas County, Nebraska; provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any State or Federal District Court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Nebraska law.

19.3 You, your owners and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19.2 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties' relationship created by this Agreement. Each of you, your owners and we further acknowledge the receipt

and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

19.4 You, your owners and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Douglas County, Nebraska, and further acknowledge that the performance of certain of your obligations arising under this Agreement, including, but not limited to, the payment of monies due hereunder and the satisfaction of certain training requirements of ours, shall occur in Douglas County, Nebraska.

19.5 You and your owners hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

19.6 If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

SECTION 20
TIMELY PERFORMANCE

You hereby acknowledge that your timely development of the Restaurants in the Development Area in accordance with the Minimum Performance Schedule is of material importance to us and you. You agree, as a condition of the continuance of the rights granted hereunder, to develop and open Restaurants within the Development Area in accordance with the Minimum Performance Schedule, to operate such Restaurants pursuant to the terms of the Franchise Agreements and to maintain all such Restaurants in operation continuously. We agree to diligently act upon any request of or approval from you within thirty (30) days of receipt, and any material delay in your ability to meet the Minimum Performance Schedule which is directly caused by our failure to act within such thirty (30) day period shall not constitute a default hereunder; provided, however, that you must notify us in writing of any such delay and its claimed impact on the Minimum Performance Schedule within ten (10) days of the occurrence of such delay, or such defense shall be deemed waived. Further, a failure or delay in performance by any party to this Agreement shall not be a default hereunder if such failure or delay arises out of or results from a Force Majeure, which for purposes of this Agreement shall be defined as fire, flood, earthquake or other natural disasters, or acts of a public enemy, war, rebellion or sabotage. Force Majeure shall not include your lack of financing, inability to obtain permits or licenses, construction delays (unless directly caused by a Force Majeure event), general economic conditions, labor shortages, supply chain disruptions, or any other circumstance that could reasonably have been anticipated or mitigated through proper business planning.

SECTION 21
EFFECTIVE DATE

This Agreement shall be effective as of the date it is executed by us.

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

EARLY BIRD CORPORATE, LLC

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

MULTI-UNIT OPERATOR:

By:_____
Name:_____
Title:_____

EARLY BIRD CORPORATE, LLC
MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "A"
CERTIFICATION BY MULTI-UNIT OPERATOR

The undersigned, personally and as an officer or partner of Multi-Unit Operator, as applicable, does hereby certify that they have conducted an independent investigation of the business contemplated by this Multi-Unit Operator Agreement and the Early Bird Corporate, LLC Franchise Agreement, and that the decision to execute the Multi-Unit Operator Agreement was based entirely upon the independent investigation by the undersigned; and the undersigned further certifies that he has not relied upon, in any way, any claims regarding potential sales, income, or earnings to be derived from the business contemplated by the Franchise Agreement and Multi-Unit Operator Agreement, and has not relied upon any claims regarding past or current sales, income or earnings of Franchisor-operated "Early Bird" Restaurants, except as may be included in Item 19 of the Franchise Disclosure Document heretofore provided to Multi-Unit Operator. The undersigned further certified that he understands the risks involved in this investment and Early Bird Corporate, LLC makes no representation or guaranty, explicit or implied, that the Multi-Unit Operator will be successful or will recoup his investment.

IN WITNESS WHEREOF, the undersigned has signed, sealed and delivered this Certificate this _____.

_____

_____

_____

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Multi-Unit Operator, each has read this Multi-Unit Operator Agreement, and each agrees to be individually bound by all obligations of Multi-Unit Operator hereunder.

_____

_____

_____

EARLY BIRD CORPORATE, LLC
MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "B"
GUARANTY

(TO BE EXECUTED ONLY IF MULTI-UNIT OPERATOR IS A CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP)

In consideration of the execution by Early Bird Corporate, LLC of the annexed Multi-Unit Operator Agreement, and acknowledging that undersigned will benefit directly or indirectly from the execution thereof, the undersigned, being all of the shareholders, directors, and officers of the Multi-Unit Operator, agree to be jointly and severally bound by and agree to guaranty the performance of all of the terms and conditions of the Multi-Unit Operator Agreement and any amendments thereto or renewals thereof, and do hereby execute this Multi-Unit Operator Agreement for the purpose of binding and obligating themselves to the terms and conditions of the aforesaid Multi-Unit Operator Agreement and any amendments thereto or renewals thereof.

The guarantors hereunder hereby waive notice of termination or default under the Multi-Unit Operator Agreement.

SIGNATURES OF ALL SHAREHOLDERS, DIRECTORS, OFFICERS, MEMBERS AND PARTNERS, AS APPLICABLE

_____

_____

_____

Each of the undersigned owns a five percent (5%) or greater beneficial interest in Multi-Unit Operator, each has read this Multi-Unit Operator Agreement, and each agrees to be individually bound by all obligations of Multi-Unit Operator hereunder.

_____

_____

_____

EARLY BIRD CORPORATE, LLC
MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "C"
TRANSFER OF A FRANCHISE TO
A CORPORATION OR LIMITED LIABILITY COMPANY

This Transfer Agreement shall amend that certain Multi-Unit Operator Agreement between _____ ("Multi-Unit Operator"), and Early Bird Corporate, LLC ("Franchisor").

The undersigned, an Officer, Director and Owner of a majority of the issued and outstanding voting stock of the Corporation set forth below, or Members of the issued and outstanding Interests of the Limited Liability Company set forth below, and the Multi-Unit Operator of the Restaurants under an Multi-Unit Operator Agreement executed on the date set forth below, between himself or herself and Franchisor, granting him/her a franchise to operate in the Development Area set forth below, and the other undersigned Directors, Officers and Shareholders of the Corporation, or the Members of the Limited Liability Company, who together with Multi-Unit Operator constitute all of the Shareholders of the Corporation, or the Members of the Limited Liability Company, in order to induce Franchisor to consent to the assignment of the Multi-Unit Operator Agreement to the Corporation or Limited Liability Company in accordance with the provisions of Section 11 of the Multi-Unit Operator Agreement, agree as follows:

1. The undersigned Multi-Unit Operator shall remain personally liable in all respects under the Multi-Unit Operator Agreement and all the other undersigned Officers, Directors and Shareholders of the Corporation, or the Members of the Limited Liability Company, intending to be legally bound hereby, agree jointly and severally to be personally bound by the provisions of the Multi-Unit Operator Agreement including the restrictive covenants contained in Section 12 thereof, to the same extent as if each of them were the Multi-Unit Operator set forth in the Multi-Unit Operator Agreement and they jointly and severally personally guarantee all of the Multi-Unit Operator's obligations set forth in said Agreement.

2. The undersigned agree not to transfer any stock in the Corporation, or any interest in the Limited Liability Company without the prior written approval of the Franchisor and agree that all stock certificates representing shares in the Corporation, or all certificates representing interests in the Limited Liability Company shall bear the following legend:

> "The shares of stock represented by this certificate are subject to the terms and conditions set forth in a Multi-Unit Operator Agreement dated _____, 20__ between _____ and Early Bird Corporate, LLC."
>
> or
>
> "The ownership interests represented by this certificate are subject to the terms and conditions set forth in a Multi-Unit Operator Agreement dated _____, 20__ between _____ and Early Bird Corporate, LLC."

3. _____ or his designee shall devote his best efforts to the day-to-day operation and development of the Restaurants.

4. _____ hereby agrees to become a party to and to be bound by all of the provisions of the Multi-Unit Operator Agreement executed on the date set forth below between Multi-Unit Operator and Franchisor, to the same extent as if it were named as the Multi-Unit Operator therein.

Date of Multi-Unit Operator Agreement: _____

Development Area for Restaurants: _____

As to Paragraph 3:

_____
[Name]

As to Paragraph 4:

_____
[Name]

_____
Name of Corp. or Limited Liability Company

By:_____
Title:_____

In consideration of the execution of the above Agreement, Early Bird Corporate, LLC hereby consents to the above referred to assignment on this _____ day of _____, 20__.

EARLY BIRD CORPORATE, LLC

By:_____
Name:_____
Title:_____

EARLY BIRD CORPORATE, LLC

MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "D"

MINIMUM PERFORMANCE SCHEDULE

The Agreement authorizes and obliges Multi-Unit Operator to establish and operate _____ (___) "Early Bird" Restaurants pursuant to a Franchise Agreement for each Restaurant. The following is Multi-Unit Operator's Minimum Performance Schedule:

Minimum Cumulative Number of Franchise Agreements for Restaurants to be located and Operating Within the Development Area	By this Date
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Total:_____

The Minimum Performance Schedule shall be deemed completed, and this Agreement shall expire, upon the opening of the final Restaurant to be developed pursuant to this Agreement.

APPROVED:

MULTI-UNIT OPERATOR	EARLY BIRD CORPORATE, LLC
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EARLY BIRD CORPORATE, LLC

MULTI-UNIT OPERATOR AGREEMENT

ATTACHMENT "E"

DEVELOPMENT AREA

The following describes the Development Area within which Multi-Unit Operator may locate "Early Bird" Restaurants under this Agreement:

APPROVED:

MULTI-UNIT OPERATOR	EARLY BIRD CORPORATE, LLC
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT D

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES

LIST OF FRANCHISEES AS OF DECEMBER 31, 2025

A. Franchised Locations Open and Operating in 2025

State	Franchisee	Store Street Address	Store City	Store State and Zip Code	Store Telephone No.
Iowa	Kendall Owen and Trisha Goode	9250 University Ave., Unit 107	West Des Moines	IA, 50266	515-528-2212
Iowa	Kendall Owen and Trisha Goode	1520 S. Ankeny Blvd.	Ankeny	IA, 50023	515-304-5076
Iowa	Kendall Owen and Trisha Goode	401 East Court Ave.	Des Moines	IA, 50309	515-236-2233

Note: The above locations have been operated by our Franchise Director, Trisha Goode, and Food/Beverage/Operations Director, Kendall Owen, prior to signing franchise agreements.

B. Franchise Agreements Signed in 2025, But Locations Not Opened In 2025

State	Franchisee	Street Address	City	State and Zip Code	Telephone No.
South Dakota	Fred and Amy Preator	3101 W 41st St., Suite 207	Sioux Falls	SD, 57105	605-929-6043

EXHIBIT E

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

FRANCHISEES WHO HAVE LEFT THE SYSTEM

The following is a list of franchisees who had an outlet terminated, cancelled, not renewed or otherwise ceased to do business during the year ended December 31, 2025 or who have not communicated with us within 10 weeks of the date of this disclosure document.

NONE

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

EXHIBIT F

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF OPERATIONS MANUAL

TABLE OF CONTENTS OF OPERATIONS MANUAL

Table of Contents	Total Pages
Introduction	3
Section 1: Site Selection	1
Section 2: Staffing, training & Service Model Logistics	120
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Section 4: Opening & Closing Procedures	3
Section 5: Inventory & Sourcing	1
Section 6: Food Supply Intake, Preparation & Disposal	1
Section 7: Maintenance, Safety and Cleaning Procedures	1
Section 8: Accounting & Bookkeeping	1
Section 9: Food & Staff Safety	1
Section 10: Marketing strategies	12
Section 11: Technology	2
Section 12: Daily operations guides	20
Section 13: timelines for opening new builds/stores	1
Section 14: new store training planning	10
Total Pages	**189**

EXHIBIT G

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA AND RIDERS

NONE

EXHIBIT H

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

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

If a state is not listed, Early Bird Corporate, LLC has not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which Early Bird Corporate, LLC has appointed an agent for service of process.

There may also be additional agents appointed in some of the states listed.

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
California	Department of Financial Protection and Innovation *Los Angeles* 320 West 4th Street Suite 750 Los Angeles, CA 90013-2344 (213) 576-7500 *Sacramento* 2101 Arena Boulevard Sacramento, CA 95834 (916) 445-7205 *San Francisco* One Sansome Street, Suite 600 San Francisco, CA 94104-4428 (415) 972-8565	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, Hawaii 96810 (808) 586-2744	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, Indiana 46204 (317) 232-6681	

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Maryland	Office of Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, Maryland 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7th Place East, Suite 500 St. Paul, Minnesota 55101-2198 (651) 539-1500	Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101-2198 (651) 539-1500
New York	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department Office of Securities Commissioner 600 East Boulevard Avenue, 5th Floor, Dept 414 Bismarck, ND 58505-0510 (701) 328-4712	Securities Commissioner North Dakota Securities Department 600 East Boulevard Avenue, 5th Floor, Dept 414 Bismarck, ND 58505-0510 (701) 328-4712
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue John O. Pastore Complex–69-1 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of the Division of Insurance 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Administrator of Securities 150, Israel Road SW Tumwater, Washington 98501
Wisconsin	Division of Securities Department of Financial Institutions Post Office Box 1768 Madison, Wisconsin 53701 (608) 266-2801	

EXHIBIT I

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF GENERAL RELEASE

FORM OF GENERAL RELEASE

THIS AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20___ by and between Early Bird Corporate, LLC, a Nebraska limited liability company having its principal place of business located at 8264 Hascall Street, Suite 204 , Omaha, NE 68124 (the "Franchisor"), and _____, a _____ with a principal address at _____ (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 set forth, do agree as follows:

1. **Release by Releasor**:

Releasor does for itself, its successors, assigns, heirs, executors, and administrators, hereby irrevocably and unconditionally 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 (except as prohibited by 16 CFR 436.9(h)), 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. The laws of the State of Nebraska shall govern the validity, interpretation, and enforcement 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 Nebraska.

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. Releasor further expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of California or any other state laws, and does so understanding and acknowledging the significance and consequences of such specific waiver of Section 1542. Releasor acknowledges that they are or may be represented by counsel, and acknowledge that they are familiar with the provisions of California Civil Code Section 1542, which provides as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR. Releasor acknowledges that he/she/or it may later discover claims or facts in addition to or different from those set forth in this release and which, if known or suspected at the time of executing this release, may have materially affected this Agreement. Nonetheless, notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all claims, Releasor expressly acknowledges that this Release is also intended to include in its effect, without limitation, all claims which they do not know or expect to exist in their favor at the time of execution hereof, and that this Agreement contemplates the extinguishment of any such claim or claims. Releasor waives any rights, claims or causes of action that might arise as a result of such different or additional claims or facts. Notwithstanding the governance of this Release by laws of the State of Nebraska, it is the intent of Releasor to waive any right, claim or cause of action as is consistent with the forgoing waiver of Section 1542 of the Civil Code of California.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have executed this agreement effective as of the date first above.

RELEASOR:

_____

Name:_____

EARLY BIRD CORPORATE, LLC:

By:_____
Name:_____
Title:_____

EXHIBIT J

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF

FORM OF COLLATERAL ASSIGNMENT OF LEASE

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("Assignor") assigns, transfers and sets over to Early Bird Corporate, LLC, a Nebraska limited liability company ("Assignee"), all of Assignor's right and title to and interest in that certain "Lease" a copy of which is attached as Exhibit A respecting premises commonly known as _____. This assignment is for collateral purposes only and except as specified in this document Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this assignment or the Lease unless and until Assignee, in its sole discretion, elects to take possession of the premises the Lease demises according to the terms of this document and assumes Assignor's obligations under the Lease.

Assignor represents and warrants to Assignee that it has full power and authority to assign the Lease and that Assignor has not previously assigned or transferred and is not otherwise obligated to assign or transfer any of its interest in the Lease or the premises it demises.

Upon Assignor's default under the Lease or under the "Franchise Agreement" for a Restaurant between Assignee and Assignor, or in the event Assignor defaults under any document or instrument securing or related to the Franchise Agreement, or upon termination of the Franchise Agreement for any reason Assignee has the right to take possession of the premises the Lease demises and expel Assignor from the premises. In that event Assignor will have no further right and title to or interest in the Lease but will remain liable to Assignee for any past due rental payments or other charges Assignee is required to pay Lessor to effectuate the assignment this document contemplates.

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

ASSIGNEE:	ASSIGNOR:
EARLY BIRD CORPORATE, LLC	_____
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____
Date:_____	Date:_____

CONSENT TO COLLATERAL ASSIGNMENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the Lease:

(a) Agrees to notify Assignee in writing of and upon Assignor's failure to cure any default by Assignor under the Lease;

(b) Agrees that Assignee will have the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after Lessor's delivery of notice of the default under section (a) above, or such longer period as may be reasonably necessary if the default cannot be cured within thirty (30) days and Assignee has commenced and is diligently pursuing the cure;

(c) Consents to the Collateral Assignment and agrees that if Assignee takes possession of the premises the Lease demises and confirms to Lessor that it has assumed the Lease as tenant, Lessor will recognize Assignee as tenant under the Lease, provided that Assignee cures within the thirty (30) day period noted in section (b) above Assignor's defaults under the Lease; and

(d) Agrees that Assignee may further assign the Lease to or enter into a sublease with a person, firm or corporation who agrees to assume the tenant's obligations under the Lease and is reasonably acceptable to Lessor and that upon that assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise, other than to certify that the additional assignee or sublessee operates the premises the Lease demises as a Restaurant.

Dated:_____

_____

_____, Lessor

EXHIBIT K

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF STATEMENT OF OWNERSHIP INTERESTS AND FRANCHISEE'S AND/OR MULTI-UNIT OPERATOR PRINCIPALS

STATEMENT OF OWNERSHIP INTERESTS AND FRANCHISEE'S

AND/OR MULTI-UNIT OPERATOR PRINCIPALS

A. The following is a list of all shareholders, partners or other investors in Franchisee and/or Multi-Unit Operator, including all investors who own or hold a direct or indirect interest in Franchisee and/or Multi-Unit Operator, and a description of the nature of their interest:

Name	Percentage of Ownership/Nature of Interest

B. In addition to the persons listed in paragraph A., the following is a list of all of Franchisee's or Multi-Unit Operator's Principals described in and designated Franchise Agreement and/or Multi-Unit Operator Agreement Unless designated as a Controlling Principal, each of Franchisee's and/or Multi-Unit Operator's Principals shall execute the Confidentiality and Non-Competition Agreement substantially in the form set forth in Exhibit N to the Franchise Disclosure Document:

EXHIBIT L

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF CONTROLLING PRINCIPALS AGREEMENT

CONTROLLING PRINCIPALS AGREEMENT

Each of the undersigned acknowledges and agrees as follows:

1. Each has read the terms and conditions of the Franchise Agreement and/or the Multi-Unit Operator's Agreement and acknowledges that the execution of this guaranty and the undertakings of the Controlling Principals in the Franchise Agreement and/or the Multi-Unit Operator's Agreement are in partial consideration for, and a condition to, the granting of this license, and that Franchisor would not have granted this license without the execution of this guaranty and such undertakings by each of the undersigned;

2. Each is included in the term "Controlling Principals" as described in the Franchise Agreement and/or the Multi-Unit Operator's Agreement;

3. Each individually, jointly and severally, makes all of the covenants, representations, warranties and agreements of the Controlling Principals set forth in the Franchise Agreement and/or the Multi-Unit Operator's Agreement and is obligated to perform thereunder; and

4. Each individually, jointly and severally, unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of Franchisee's monetary and non-monetary obligations under the Franchise Agreement and/or the Multi-Unit Operator's Agreement will be punctually paid and performed in full. Upon default by Franchisee or upon notice from Franchisor, each will immediately make each payment and perform each obligation required of Franchisee under the Franchise Agreement and/or the Multi-Unit Operator's Agreement. Without affecting the obligations of any of the Controlling Principals under this guaranty, Franchisor may, without notice to the Controlling Principals, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee and/or Multi-Unit Operator or settle, adjust or compromise any claims that Franchisor may have against Franchisee and/or Multi-Unit Operator. Each of the Controlling Principals waives all demand and notices of every kind with respect to the enforcement of this guaranty, including, without limitation, notice of presentment, demand for payment or performance by Franchisee and/or Multi-Unit Operator, any default by Franchisee and/or Multi-Unit Operator or any guarantor and any release of any guarantor or other security for this guaranty or the obligations of Franchisee and/or Multi-Unit Operator. Franchisor may pursue its rights against any of the Controlling Principals, jointly or severally, without first exhausting its remedies against Franchisee and/or Multi-Unit Operator and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy. Upon receipt by Franchisor of notice of the death of any of the Controlling Principals, the estate of the deceased will be bound by the foregoing guaranty, but only for defaults and obligations under the Franchise Agreement and/or the Multi-Unit Operator's Agreement existing at the time of death, and in such event, the obligations of the remaining Controlling Principals shall continue in full force and effect.

[Signatures are on the next page]

CONTROLLING PRINCIPALS:

_____

Name:_____

_____

Name:_____

_____

Name:_____

The individual executing below shall be the initial "Operating Principal", if applicable:

_____

Name:_____

EXHIBIT M

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(for trained employees, shareholders, officers, directors, general partners, members and managers of Franchisee)

In consideration of my being a _____of _____ ("Franchisee"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a Franchise Agreement dated _____, 20___ (the "Franchise Agreement"), Franchisee has acquired the right and franchise from Early Bird Corporate, LLC (the "Company") to establish and operate an Early Bird Restaurant (the "Franchised Business") and the right to use in the operation of the Franchised Business the Company's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Proprietary Marks"), as they may be changed, improved and further developed from time to time in the Company's sole discretion, only at the following authorized and Accepted Location: _____ (the "Accepted Location").

2. The Company, as the result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system (the "System") relating to the establishment and operation of Franchised Businesses offering breakfast and lunch menus as well as beer, wine and cocktails. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, recipes, methods, techniques, formats, specifications, systems, procedures, methods of business practices and management, sales and promotional techniques and knowledge of, and experience in, the operation of the Franchised Business (the "Confidential Information").

3. Any and all information, knowledge, know-how, and techniques which the Company specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Agreement.

4. As _____ of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me training programs, the Company's Confidential Operations Manuals (the "Manuals"), and other general assistance during the term of the Franchise Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as _____ of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. Except as otherwise approved in writing by the Company, I shall not, while in my position with the Franchisee, either directly or indirectly for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for,

perform services for, or have any interest in any food service business which: (a) is the same as, or substantially similar to, a Franchised Business; or (b) offers to sell or sells any products or services which are the same as, or substantially similar to, any of the products offered by a Franchised Business (a "Competitive Business"); and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, or upon the expiration, termination, transfer, or assignment of the Franchise Agreement, whichever occurs first, and continuing for two (2) years thereafter, either directly or indirectly, for myself, or through, on behalf of, or in conjunction with any person, persons, partnership, or corporation, own, maintain, operate, engage in, act as a consultant for, perform services for, or have any interest in any Competitive Business that is, or is intended to be, located at or within:

7.1 Franchisee's Territory, as defined in the Franchise Agreement ("Franchisee's Territory");

7.2 Twenty (20) miles of Franchisee's Territory; or

7.3 Twenty (20) miles of any Franchised Business operating under the System and the Proprietary Marks.

The prohibitions in this Paragraph 7 do not apply to my interests in or activities performed in connection with a Franchised Business. This restriction does not apply to my ownership of less than five percent (5%) beneficial interest in the outstanding securities of any publicly held corporation.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

9. I understand and acknowledge that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof; and I agree to comply forthwith with any covenant as so modified.

10. The Company is a third-party beneficiary of this Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of this Agreement.

11. This Agreement shall be construed under the laws of the State of Nebraska, without regard to the application of Nebraska conflict of law rules. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature

Name

Address

Title

ACKNOWLEDGED BY FRANCHISEE

By:_____

Name:_____

Title:_____

EXHIBIT N

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF ELECTRONIC TRANSFER AUTHORIZATION

AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO EARLY BIRD CORPORATE, LLC ("COMPANY")

Depositor hereby authorizes and requests _____ (the "Depository") to initiate debit and credit entries to Depositor's ☐ checking or ☐ savings account (select one) indicated below drawn by and payable to the order of Early Bird Corporate, 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)

_____

_____

_____
Date Signed

_____

_____
Signature(s) of Depositor, as Printed Above

Please attach a voided blank check, for purposes of setting up Bank and Transit Numbers.

EXHIBIT O-1

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF INTERNET WEBSITES AND 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 _____ day of _____, 20___ (the "Effective Date"), by and between Early Bird Corporate, LLC, a Nebraska limited liability company (the "Franchisor"), and _____, a _____ (the "Franchisee").

WITNESSETH:

WHEREAS, Franchisee desires to enter into a Franchise Agreement with Franchisor for an Early Bird 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 (whether in accordance with or in violation of 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 Franchised Business or the 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 upon Franchisor's request at any time during or after the term of the Franchise Agreement, Franchisee shall 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 or Franchisor's designee; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. Franchisee acknowledges that its obligations under this Section survive termination of the Franchise Agreement. 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 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, claims, 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 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 Nebraska, without regard to the application of Nebraska 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.

EARLY BIRD CORPORATE, LLC:	FRANCHISEE:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT O-2

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF TELEPHONE LISTING AGREEMENT

TELEPHONE LISTING AGREEMENT

THIS TELEPHONE LISTING AGREEMENT (the "Telephone Listing Agreement") is made and entered into as of the _____ (the "Effective Date"), by and between Early Bird Corporate, LLC, a Nebraska limited liability company (the "Franchisor"), and _____, a _____ (the "Franchisee").

W I T N E S S E T H:

WHEREAS, the Franchisee desires to enter into a Franchise Agreement with the Franchisor for an Early Bird Restaurant (the "Franchise Agreement"); and

WHEREAS, the Franchisor would not enter into the Franchise Agreement without the 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 Franchised Business or the 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 shall 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, with all costs of such transfer to be borne by Franchisee. In the event Franchisor does not desire to accept any or all such Telephone Numbers and Listings, Franchisee shall immediately direct the Telephone Companies to terminate such Telephone Numbers and Listings or shall 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, claims, 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 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 Nebraska, without regard to the application of Nebraska conflict of law rules.

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

EARLY BIRD CORPORATE, LLC:	FRANCHISEE:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

EXHIBIT P

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF POWER OF ATTORNEY (TAX)

IRREVOCABLE POWER OF ATTORNEY

STATE OF _____)
)
COUNTY OF _____)

KNOW ALL MEN BY THESE PRESENTS

That _____, a _____ ("Franchisee"), does hereby irrevocably constitute and appoint Early Bird Corporate, LLC, a Nebraska 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 _____, 20___ 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 as of the _____ day of _____, 20___.

_____, a
_____

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:

_____

EXHIBIT Q

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

FORM OF ADA CERTIFICATION

ADA CERTIFICATION

Early Bird Corporate, LLC ("Franchisor") and _____ ("Franchisee") are parties to a franchise agreement dated _____ for the operation of an Early Bird Restaurant at _____ (the "Franchised Business"). In accordance with Section 2.3 of the Franchise Agreement, Franchisee hereby certifies, represents and warrants to Franchisor that the Franchised Business and its adjacent areas (including parking areas, walkways, ramps, entrances, restrooms, service areas, and all other public accommodations) fully 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 and its implementing regulations. Franchisee acknowledges that it is an independent contractor and the requirement of this certification by Franchisee does not constitute ownership, control, leasing or operation of the Franchised Business. Franchisee acknowledges that Franchisor has relied on the information contained in this certification. Furthermore, Franchisee acknowledges its obligation under this 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.

FRANCHISEE

By:_____
Name:_____
Title:_____

EXHIBIT R

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

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

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

State	Effective Date
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.

EXHIBIT S

TO THE EARLY BIRD

FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

(KEEP THIS COPY FOR YOUR RECORDS)

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 Early Bird Corporate, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Early Bird Corporate, 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 H.

The franchisor is Early Bird Corporate, LLC, located at 8264 Hascall Street, Suite 204, Omaha, NE 68124. Its telephone number is 402-707-6250.

Issuance date: April 30, 2026. See the State Effective Dates page for state-related information.

The name, principal business address and telephone number of the franchise seller for this offering is: James Burrow, Daniel Kavan, and Trisha Goode, 8264 Hascall Street, Suite 204, Omaha, NE 68124, phone 402-707-6250.

Early Bird Corporate, LLC authorizes the agents listed in Exhibit H to receive service of process for it.

I have received a disclosure document dated April 30, 2026 that included the following Exhibits:

A – Financial Statements	K - Form of Statement of Ownership Interests and Franchisee's and/or Multi-Unit Operator's Principals
B – Franchise Agreement	L - Form of Controlling Principals Agreement
C – Multi-Unit Operator Agreement	M - Form of Confidentiality and Non-Competition Agreement
D – List of Franchisees	N - Form of Electronic Transfer Authorization
E – Franchisees Who Have Left the System	O-1 - Form of Internet Websites and Listings Agreement
F – Table of Contents of Operations Manual	O-2 - Form of Telephone Listing Agreement
G – State Specific Addenda and Riders	P - Form of Power of Attorney (Tax)
H – List of State Administrators/Agents for Service of Process	Q - Form of ADA Certification
I – Form of General Release	R – State Effective Dates
J - Form of Collateral Assignment of Lease	S – Receipts

Date:_____ _____

(Do not leave blank) Signature of Prospective Franchisee

_____

Print Name

You may return the signed receipt either by signing, dating and mailing it to Early Bird Corporate, LLC at 8264 Hascall Street, Suite 204, Omaha, NE 68124.

RECEIPT

(RETURN THIS COPY TO US)

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

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Date:_____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

You may return the signed receipt either by signing, dating and mailing it to Early Bird Corporate, LLC at 8264 Hascall Street, Suite 204, Omaha, NE 68124.