

FRANCHISE DISCLOSURE DOCUMENT

Hungry Howie's Pizza & Subs, Inc.,
a Michigan corporation
30300 Stephenson Highway, Suite 200
Madison Heights, Michigan 48071
(248) 414-3300
www.hungryhowies.com
sclough@hungryhowies.com



The franchisee will operate a Hungry Howie's restaurant, offering pizza, submarine sandwiches and other designated menu items for sale. The total investment necessary to begin operation of a Hungry Howie's franchised business (including Non-Traditional Restaurants) is between \$292,129 and \$567,248. This includes between \$70,500 and \$100,000 that must be paid to the franchisor or its affiliate(s).

Hungry Howie's may enter into an Area Developer Multiple Unit Addendum with you which will give you the right to open a certain number of Hungry Howie's restaurants within a designated geographic area during a specified period of time. At the time you enter into an Area Developer Multiple Unit Addendum you must pay Hungry Howie's the full franchise fee of \$25,000 for the first franchise and 50% of the franchise fee for each additional franchise.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document 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. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Hungry Howie's Franchise Development Department, at 30300 Stephenson Highway, Madison Heights, Michigan 48071 (248) 414-3300.

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

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

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

Issued: April 3, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits J and L.
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 C 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 Hungry Howie's Pizza business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Hungry Howie's Pizza franchisee?	Item 20 or Exhibits J, K and L lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

NOTICE

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice of the failure and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

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

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

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Michigan Department of Attorney General, P. O. Box 30215, Lansing, Michigan 48909 (517) 373-7117.

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

To simplify the language in this Disclosure Document, “we”, “us”, “our” or “Hungry Howie’s” means Hungry Howie’s Pizza & Subs, Inc., the franchisor. “You” or “your” means the person or business entity buying the franchise. If the franchise is purchased by a partnership, corporation or limited liability company, the partners, shareholders or members, may be referred to in this Disclosure Document as the “Owners” and will be bound by the Franchise Agreement.

Franchisor, Parent and Affiliates

We do business under the names Hungry Howie’s Pizza & Subs, Inc. and Hungry Howie’s Pizza, Inc. and do not do business under any other name. Our principal business address is 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071. Hungry Howie’s is a Michigan corporation incorporated on December 21, 1981.

Hungry Howie’s has no parent company. Hungry Howie’s has no predecessors. Hungry Howie’s does not conduct the type of business you would operate as a franchisee. Officers of Hungry Howie’s do conduct the type of business you would operate as a franchisee.

Hungry Howie’s has four affiliates disclosable in this Item: Hungry Howie’s Distributing, Inc., which will be referred to in this Disclosure Document as “Distributing”; H.H. Pizza, Inc., which will be referred to as “Florida”; Hungry Howie’s Dough Raiser Program, LLC, which will be referred to as “Dough Raiser LLC”; and Hungry Howie’s Gift Card Program, LLC, which will be referred to as “Gift Card LLC”. Distributing supplies our franchisees east of the Mississippi River and those in Florida (excluding areas in the Northeast and Mid-Atlantic states) with food products, packaging and supplies (collectively, “Products”). Distributing, through a wholly owned subsidiary, Hungry Howie’s Properties, Inc. (“Properties”), conducts the type of business you would operate as a franchisee. Properties owns and operates Hungry Howie’s Restaurants. Distributing has been in business since 1986. Distributing has never offered franchises in any line of business. The principal business address of Distributing is 30300 Stephenson Highway, Suite 100, Madison Heights, Michigan 48071.

Florida operates under a license agreement with Hungry Howie’s to use the Marks in the State of Florida exclusively. Florida does not follow the Hungry Howie’s system and is free to set its own standards and specifications, subject to its license agreement. Florida’s license agreement with Hungry Howie’s requires Florida to offer high quality goods and services in connection with the Marks and allows Florida to use the Marks royalty-free. Florida is responsible for all franchisor obligations with respect to its franchisees located in the State of Florida. Florida collects all franchise fees and royalties from its franchisees located in the State of Florida.

Florida became a licensee in 1984 and is our only licensee. Florida does not conduct the type of business you would operate as a franchisee. Officers of Florida do conduct the type of business you would operate as a franchisee. Florida has offered franchises under its license agreement for restaurants under the name Hungry Howie’s Pizza since 1984. Florida franchisees have no direct post-sale performance obligations to Hungry Howie’s. Florida franchisees, however, do have post-sale performance obligations to Florida. Florida has not offered franchises in other lines of business. The principal business address of Florida is 2109-D Main Street, Dunedin, Florida 34698.

Dough Raiser LLC, is a Michigan limited liability company and the sole member is Hungry Howie’s. It was formed in 2014 and operates our consumer-driven fundraising program for non-profit entities such as schools, religious organizations, and youth activities. Dough Raiser LLC does not conduct the type of business you would operate as a franchisee. The principal business address of Dough Raiser LLC is 30300 Stephenson Hwy, Suite 200, Madison Heights, MI 48071.

Gift Card LLC, is a Michigan limited liability company and the sole member is Hungry Howie's. It was formed in 2014 and operates our physical or electronic gift card program. Gift Card LLC does not conduct the type of business you would operate as a franchisee and has never offered franchises in any lone of business. The principal business address of Gift Card LLC is 30300 Stephenson Hwy, Suite 200, Madison Heights, MI 48071.

Agent for Service of Process

If we have an agent in your state for service of process, we disclose that agent in Exhibit B.

Prior Experience

We have offered franchises for Restaurants since 1982. We have not offered franchises in other lines of business. Except for the rights granted to Florida, Hungry Howie's has not engaged and does not engage in selling licenses or sub-franchises to any party which then engages in the sale of individual franchises.

The Business We Offer

We grant a franchise for the right to operate a retail carry out and delivery and/or sit down restaurant which specializes in the sale of pizza, submarine sandwiches, calzone-style subs, salads, desserts, beverages, and other products under the names "Hungry Howie's®", "Hungry Howie's® Pizza" or "Hungry Howie's® Flavored Crust® Pizza." We have no other business activities. As described in Items 5 and 8, we are the designated supplier of certain equipment. Under the franchise agreement (the "Franchise Agreement"), which is Exhibit E to this Disclosure Document, we offer qualified purchasers the right to establish and operate a Hungry Howie's Restaurant at a single location. "Restaurant" shall mean a Hungry Howie's carry-out, delivery and/or sit-down restaurant, which conducts business in accordance with the Hungry Howie's system.

We may also franchise "Non-Traditional Restaurants." "Non-Traditional Restaurant" shall mean a Hungry Howie's restaurant in a location such as an airport, train, bus or subway station, toll road facility, highway rest stop, stadium, arena, amusement park, fair, carnival, gas station, convenience store, hotel, motel, school, college or university, office building, factory, hospital, shopping mall or food court and other similar retail facility, penal institutions, institutional food service facilities or other non-traditional venues.

Unless otherwise noted, Restaurants and Non-Traditional Restaurants are collectively referred to as "Restaurants" in this Disclosure Document.

Restaurants (except Non-Traditional Restaurants) generally occupy their own premises and provide specified food items and beverages as described in Item 16 ("Menu Items") for carry-out, delivery and, in a limited number of instances, for consumption on the premises. Non-Traditional Restaurants may share their premises with other businesses and may provide limited Menu Items, limited or no delivery, and, in a limited number of instances, consumption on the premises. In addition to our standard franchise agreement you will enter into a non-traditional addendum, the terms of which will be agreed to between you and us.

We may enter into a Multiple Unit Addendum ("ADMUA") with you which will give you the right to open a certain number of Restaurants within a designated geographic area during a specified period of time and pursuant to a schedule. If you do not open the Restaurants in accordance with your schedule, you will lose your right to open any additional Restaurants. A copy of an ADMUA is attached as Exhibit F. An individual franchise agreement is executed for each Restaurant opened under the ADMUA, which will be our then-current franchise agreement, the terms of which

may be materially different from any and all terms contained in the Franchise Agreement attached to this Disclosure Document.

The market for our products includes any individual who desires the Menu Items offered by Hungry Howie's. Competitors include other franchise systems and independent restaurants offering the same or similar items as Hungry Howie's. The market for our Menu Items is well developed and highly competitive.

Applicable Regulations

No regulations apply specifically to the industry in which you will operate your Restaurant. However, you will be required to comply with the FDA nutrition and calorie labeling rule regarding the posting of caloric information for food items on menus, menu boards, and online ordering. There are federal, state and local laws, codes, ordinances, statutes, rules, standards and regulations governing food service operations that may impact restaurant operations more than others. You must comply with these laws, along with laws applying generally to all businesses. You should investigate the application of these laws when evaluating your franchise acquisition.

Item 2: Business Experience

Director & CEO/President: Steven E. Jackson

Mr. Jackson has been CEO/President and a director of Hungry Howie's since its formation. Mr. Jackson has been an officer and director of Distributing since its incorporation in 1986. Mr. Jackson has also been an officer and director of Jackson Food Service, Inc. ("JFS"), located in Madison Heights, Michigan, since its incorporation in 1984. JFS owns and operates Hungry Howie's Restaurants.

Director & Treasurer/Secretary: Jennifer Hearn

Ms. Hearn is the Secretary, Treasurer and a director of Hungry Howie's since 2013. Ms. Hearn is President and a director of Florida and has been an employee of Florida since 2002. Ms. Hearn owns and operates Hungry Howie's restaurants in Florida.

Executive Vice President of Marketing: Robert Elliott

Mr. Elliott joined Hungry Howie's in April of 2011 as Vice President of Strategic Marketing. In 2015, he became Executive Vice President of Marketing.

Vice President of Marketing & Product Development: Jeffrey Rinke

Mr. Rinke joined Hungry Howie's in 1987 and in July of 1996, he became Vice President of Marketing and in 2015 the Vice President of Marketing & Product Development. Mr. Rinke has also been an officer and director of Grosse Pointe Pizza Corporation ("GP Pizza"), located in St Clair Shores, Michigan, since its incorporation in 1988. GP Pizza owns and operates a Hungry Howie's Restaurant. Mr. Rinke has also been an officer and director of Perry Pizza Corp ("Perry Pizza"), located in Washington, Michigan, since its incorporation in 2019. Perry Pizza owns and operates a Hungry Howie's Restaurant. Mr. Rinke has also been a director of Shelby Pizza Corporation ("Shelby Pizza"), located in St. Clair Shores, Michigan, since its incorporation in 2021. Shelby Pizza owns and operates a Hungry Howie's Restaurant.

Vice President & General Counsel: Movses J. Shrikian

Mr. Shrikian joined Hungry Howie's in August of 2012 as Vice President & General Counsel.

Executive Vice President of Supply Chain: James Murabito

Mr. Murabito joined Hungry Howie's in April of 2013 as Vice President of Product Management. In 2016, he became Executive Vice President of Supply Chain.

Director of Franchise Development: Steve Clough

Mr. Clough joined Hungry Howie's in September of 2021. From October of 2020 to September of 2021 he was the VP of Development and Marketing for The Huntington Company in Berkley, MI. From June of 2017 to August of 2020 he was the Director of Sales for New Paradigm Promotional Marketing in Livonia, MI.

Director of Operations: Moises Santana

Mr. Santana joined Hungry Howie's in February of 2022 as Director of Operations. From February 2021 to January of 2022, he was Manager for Franchise Performance for Subway Corporation in Florida. From February of 2019 to January of 2021, he was a Franchise Business Consultant for Hungry Howie's. From April of 2017 to October of 2018, Mr. Santana was the Director of Operations for Olayan Food Services, LLC in Al Khobar, Saudi Arabia.

Director of Finance: Scott Dykowski

Mr. Dykowski joined Hungry Howie's in December of 2018 as Senior Accounting Manager. In February of 2020 he was named Director of Finance. From July of 2015 through December of 2018, Mr. Dykowski was an Associate on the Assurance Staff at Plante Moran in Clinton Township, MI.

Director of Information Technology: Dan McKay

Mr. McKay joined Hungry Howie's in 1997 as the primary consultant for Hungry Howie's first consumer website. In 1999, he became Network Administrator. In 2006, Mr. McKay became Information Technology Manager and, in 2011, became Director of Information Technology.

Item 3: Litigation

No litigation is required to be disclosed in this Item.

Item 4: Bankruptcy

No bankruptcy is required to be disclosed in this Item.

Item 5: Initial Fees

Franchise Fee

Except as noted below, the Franchise Fee is \$25,000.00 (the "Franchise Fee"). You pay the Franchise Fee to us in full when you sign the Franchise Agreement. No portion of the Franchise Fee is refundable under any circumstances.

Certain owners of ours or their family members may pay no Franchise Fee and may pay a reduced or no royalty fee. Restaurants owned by Properties may pay no Franchise Fee and may pay a reduced or no royalty fee.

In 2021, the Franchise Fee was not uniformly imposed. The range of franchise fees imposed in 2021 was \$12,500 to \$25,000. Some discounts were due to franchise fee discount programs available to existing franchisees.

Franchise Fee for Veterans

Provided that you are a former member of the United States Armed Forces and have been “Honorably Discharged,” you shall pay the Franchise Fee for Veterans to us in lieu of the Franchise Fee. The approved Honorably Discharged veteran must have a 51% or greater Ownership Interest and be designated as the Designated Franchisee (defined in Item 15) of the Restaurant. The Franchise Fee for Veterans is 50% of the Franchise Fee regularly charged by us at the time you enter into a new Franchise Agreement. Currently, the Franchise Fee for Veterans is \$12,500.00. You or your affiliates may receive the Franchise Fee for Veterans for only one Restaurant. You pay the Franchise Fee for Veterans to us in full when you sign the Franchise Agreement. No portion of the Franchise Fee for Veterans is refundable under any circumstances.

Non-Traditional Restaurant Fee

Franchisees that enter into a Non-Traditional Addendum pay a Franchise Fee established by us on an individual basis. However, we granted no Non-Traditional franchises during our last fiscal year. No portion of the Franchise Fee is refundable under any circumstances. Payment in full is required when the Franchise Agreement and the Non-Traditional Addendum are signed.

Area Developer Multiple Unit Addendum (“ADMUA”) Fee

An Area Developer is a franchisee that is granted the right, for consideration paid to us, to open and operate multiple Hungry Howie’s Restaurants, generally within a delineated geographic area. An ADMUA grants you, as an Area Developer, development rights for a specific number of franchises within a delineated geographic area according to a development schedule (the “Development Schedule”). The Development Schedule is negotiated by you and us before the ADMUA is signed. Ordinarily, the Development Schedule will not extend for more than 5 years after the ADMUA is signed.

At the time you enter into an ADMUA, you must pay us a Development Fee. The Development Fee equals the full Franchise Fee for the first franchise plus an additional deposit for each additional franchise you commit to develop under the Development Schedule. The Development Fee is negotiated by you and us before the ADMUA is signed. Ordinarily, the additional deposit for each additional franchise is 50% of the Franchise Fee due for that franchise. No portion of the Development Fee paid under an ADMUA is refundable under any circumstances.

Franchise Grand Opening Fee

The Franchise Grand Opening Fee is \$15,000.00. The Franchise Grand Opening Fee is spent on grand opening marketing when you open the Restaurant for business. You pay us the Franchise Grand Opening Fee on the date you furnish us with a fully executed copy of the lease for the Restaurant’s location. We will use the Franchise Grand Opening Fee to pay the costs of promoting the opening of the Restaurant. The Franchise Grand Opening Fee will be used by us in any manner which we decide is proper and effective for that purpose. No portion of the Franchise Grand Opening Fee is refundable under any circumstances.

Other Initial Fees

Prior to opening the Restaurant for business, you must purchase an opening inventory of Products at a cost between \$12,000 - \$19,000. If your Restaurant is located east of the Mississippi River (excluding areas in the Northeast and Mid-Atlantic states), all your opening inventory must be purchased from Distributing or another distributor designated by us. Distributing does not supply products west of the Mississippi River, or in areas in the Northeast or Mid-Atlantic states. If your Restaurant is located there, you must purchase your opening inventory from a different distributor designated by us.

Prior to opening the Restaurant, you must purchase from us a conveyor oven and hood system. We are the only designated supplier for the sale of the conveyor oven and hood system which you are required to install in the Restaurant. The cost of the conveyor oven and hood system will be between \$32,200 and \$48,600, depending on the number and size of the ovens and hood system required, installation charges and shipping/freight charges. You will be required to pay a deposit of 50% of the total costs of the conveyor oven and hood system at the time you place an order with us. The balance must be paid prior to delivery and installation.

Certain owners of ours or their family members may purchase a conveyor oven and hood system from us at a discounted purchase price.

No amount paid to us, Distributing, or another distributor designated by us is refundable. No other fees or payments for goods or services are due from you to us or our affiliates before you open your business.

Item 6: Other Fees

Column 1 Type of Fee Note 1	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Royalty Fee	5.5% of Gross Sales but not less than \$360 per Reporting Period.	Payment Date after the Reporting Period.	Notes 2 & 3
Marketing Fee	7% of Gross Sales but not less than \$721 per Reporting Period.	Payment Date after the Reporting Period.	Notes 3 & 4
Administrative Fees	\$50 - \$500	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 5
Annual Meeting Fee	\$1,000	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 6
Attorneys' Fees	Varies.	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 7
Audit Invoice	Twice the underpayment plus the cost of the audit.	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 8
Seminar Fee	\$250	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 9

Column 1 Type of Fee Note 1	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
FI Late Fee	\$250 per Accounting Period or any fraction thereof until the Financial Information is provided.	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 10
HowieCast Fee	\$3.99 per Reporting Period.	Payment Date after the Reporting Period.	Note 11
Insurance Fee	\$250 per Accounting Period or any fraction thereof until fully compliant with the Franchise Agreement's insurance coverage requirements	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 12
Interest Fee	1.25% of the applicable outstanding amount due to us per Accounting Period or any fraction thereof.	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 13
Late Fee	5% of the amount due.	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 14
NSF Fee	\$40, currently. The cost for checks returned "non-sufficient funds."	10 days after written notice that fee has been assessed in accordance with the Manner of Payment.	Note 15
Products	Varies.		Note 16
Re-Inspection Fee	\$2,500 plus our out-of-pocket expenses, which may vary.	10 days after written notice that this fee has been assessed in accordance with the Manner of Payment.	Note 17
Relocation Fee	\$7,500	At the time you request to relocate the Restaurant.	Note 18
Renewal Fee	\$1,000	When you execute the New Franchise Agreement.	Note 19
Re-Opening Marketing Fee	Up to \$15,000, depending on circumstances.	Note 20	Note 20
Replacement Training Fee	25% of the then-current Franchise Fee (currently\$6,250) per person	Before the beginning of training.	Note 21
Securities Offering Review Fee	Reimbursement of our out-of-pocket costs and expenses	Note 22	Note 22

Column 1 Type of Fee Note 1	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Termination as the Result of a Franchisee Default or Termination without Cause by the Franchisee	Minimum Royalty Fee for each Reporting Period through the end of the term of the Franchise Agreement.	Within 60 days after the termination.	Note 23
Training Fee	Up to \$5,000.	Prior to the beginning of any training program.	Note 24
Training Fee – Remote	Up to \$10,000	Prior to the beginning of any training program.	Note 25
Transfer Fee	Currently, \$1,250; \$6,250; or \$12,500, depending on circumstances (based on our then current Franchise Fee).	At the time of a Transfer.	Note 26
Technology Fee	0.25% of Gross Sales but not less than \$25 per Reporting Period.	Payment Date after the Reporting Period.	Notes 3 & 27

Note 1. Except when noted, all fees are: (i) payable to us; (ii) imposed and collected by us; (iii) non-refundable; and (iv) uniformly imposed.

All fees are payable in accordance with the Manner of Payment. “Manner of Payment” is defined as any electronic funds transfer (“EFT”) or Automated Clearing House (“ACH”) or any other manner of payment that Hungry Howie’s may designate from time to time. You shall establish and maintain throughout the term of the Franchise Agreement an account into which you deposit all Gross Sales from the Restaurant. You will execute all documents and authorization deemed necessary by us or the financial institution(s) where you maintain such account permitting us to withdraw by EFT any payments due to us under the Franchise Agreement via ACH.

If any fee is based on Gross Sales or some other figure which you must report to us and you fail to report this figure in a timely fashion, we shall have the power to withdraw by EFT an estimate of the amount due us from your account. The transfer shall not in any way relieve you of the obligation to pay any amounts owing should the transferred funds be less than the actual amount owing by you or if sufficient funds are not available for transfer from your account. You will still be required to submit full and complete reports as required by us.

Note 2. The Royalty Fee is not currently uniformly imposed. Our standard royalty fee is described in the chart.

As part of an incentive program for existing franchisees to open additional units, we offered a discounted royalty fee of 0% for the first 52 Reporting Periods of their operations (or until a cap of \$55,000.00 is reached, whichever event occurs first in time). Two franchisees took advantage of this program.

An additional one franchisee is obligated to pay a reduced royalty fee of 2.75% for the first 26 full consecutive Reporting Periods. We agreed to such discounted royalty fees as part of an incentive program for the purchase of a “distressed” store.

Note 3. “Gross Sales” shall mean all sales or revenue arising out of the Restaurant, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from the Restaurant, whether delivery or performance is made from the Restaurant or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from the Restaurant; (vi) that are made or performed by means of mechanical or other vending devices at the Restaurant; (vii) which a person, in the normal and customary course of business, would credit or attribute to your operation of the Restaurant; or (viii) from sales made or revenue received from a kiosk. Gross Sales shall be calculated without reserve or deduction for your inability or failure to collect, any amounts owed to you or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a you on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

“Payment Date” means a day designated by Hungry Howie’s from time to time following the Reporting Period or Accounting Period. The Payment Date is currently 10 days after the Reporting Period or Accounting Period. The Reporting Period currently starts on Monday and ends on Sunday. Accounting Periods are 28-day periods, consisting of 4 consecutive Reporting Periods.

Note 4. “Marketing Fee shall mean a fee equal to 7% of your Gross Sales, but in no event less than \$721.00 per Reporting Period. Currently, $\frac{1}{7}$ th (which is equal to 1% of Gross Sales) of the Marketing Fee is allocated as the National Marketing Fee and $\frac{6}{7}$ th (which is equal to 6% of Gross Sales) of the Marketing Fee is allocated as the Local Marketing Fee (Franchise Agreement, Paragraph 12.1(a)-(b)). See Item 11, Advertising for additional information and definitions.

Note 5. “Administrative Fees” shall mean fees you must pay to us for certain acts or failures to act (collectively “Conduct”). Such Conduct may or may not rise to the level of a Franchisee Default, but over time or cumulatively it may cause devaluation of the Marks, the Restaurant, or the System, or cause Hungry Howie’s to incur additional administrative or out-of-pocket expenses. The Conduct for which Administrative Fees may be assessed includes, but is not limited to: failure to prepare Menu Items according to the Manual; failure to maintain standards of cleanliness; failure to purchase or lease inventory, supplies, or equipment from Designated Suppliers; or the unauthorized use of the Marks or Marketing materials. A schedule containing a description of the Conduct with the corresponding fee will be published in the Manual. We may periodically revise or amend this schedule in our reasonable discretion. An Administrative Fee will be between \$50.00 and \$500.00 for each Conduct. There is currently no schedule of Administrative Fees.

Note 6. The Annual Meeting Fee is applicable if the Designated Franchisee (defined in Item 15) does not attend our annual system-wide franchisee meeting.

Note 7. Should we incur attorneys’ fees, costs and expenses in order to enforce the terms and conditions of the Franchise Agreement, whether in a court or an arbitration proceeding, regardless

of which party files first, or whether it is a claim, counterclaim or defense, if we prevail, you shall reimburse us for such reasonable attorneys' fees, costs and expenses.

Note 8. The Audit Invoice is applicable if the underpayment exceeds 2% of the amount of the Royalty Fees, Marketing Fees, or Technology Fees, as represented by you.

Note 9. The Seminar Fee is applicable if the Designated Franchisee and/or the Operator, as may be required by us, fail to attend a required continuing training program.

Note 10. You shall pay to us the FI Late Fee from the date you were required to furnish us Financial Information or Financial Statements until you furnish such Financial Statements or Financial Information to us.

Note 11. The HowieCast fee is for data usage and software maintenance related to digital displays (See Item 7). This fee is subject to change and may be increased by a maximum of 12% per year. The HowieCast fee may not be charged if we outsource this service to a Designated Supplier, at which point you will be required to purchase the services from such Designated Supplier.

Note 12. If you do not fully comply with your insurance-related requirements, we may impose the Insurance Fee, which is paid by you to us, for each Accounting Period or any fraction thereof until you have fully complied.

Note 13. Royalty Fees, Marketing Fees, and other fees payable by you to us are subject to the Interest Fee.

Note 14. Royalty Fees, Marketing Fees, and Technology Fees are subject to the Late Fee.

Note 15. Charges that we incur as a result of the tender of a check, EFT or ACH that is returned or rejected for any reason whatsoever by a bank or financial institution.

Note 16. For Products purchased from Distributing.

Note 17. If the Restaurant does not conform to the Drawings and more than one on-site inspection is required, you shall pay us the Re-Inspection Fee for each additional on-site inspection.

Note 18. The Relocation Fee is applicable if you desire to relocate your Restaurant.

Note 19. You pay to us the Renewal Fee when you renew your Franchise Agreement by signing a new Franchise Agreement provided you are permitted to renew your franchise agreement under the terms of your current Franchise Agreement.

Note 20. If the Restaurant: (i) relocates; (ii) closes for any reason and re-opens; or (iii) a Transfer takes place, we may impose the Re-Grand Opening Fee. The amount will be determined by us, taking into consideration relevant factors, including how long the store may have been closed, sales levels at closure or time of Transfer, reputation and goodwill associated with the Restaurant in local community, reason for closure or Transfer, and the general conditions in the marketing area and industry

Note 21. If a replacement Operator is required, then they must attend the then current Initial Training Program and you shall pay to us a per person Replacement Training Fee.

Note 22. If you try to sell any securities which are subject any state or federal law governing the offer, sale or issuance of any such securities, you will have to obtain our prior approval. Prior to and during our review, we shall require you, from time to time, to pay us a sum of money that we shall reasonably deem sufficient to cover our out-of-pocket costs and expenses.

Note 23. In the event of the termination of the Franchise Agreement following your default, or if you terminate the Franchise Agreement without cause, you shall pay to us as our contract damages, within 60 days after termination, an amount equal to the minimum Royalty Fees for each Reporting Period for the remainder of the term of the Franchise Agreement, as if the Franchise Agreement had not terminated.

Note 24. "Training Fee" shall mean a fee of up to \$5,000. The Training Fee covers a portion of our expenses to train someone in the Metro Detroit area, including the cost of providing the trainer and the training location. We may, at our discretion, permit additional attendees at the Operator Training Program, Designated Franchisee Training Program, and Continuing Training Program and assess the Training Fee for such additional attendees. The Training Fee must be paid by you prior to the commencement of any such training program. The amount of the Training Fee may vary based on the amount of training required as detailed in Item 11

Note 25. "Training Fee – Remote: shall mean a fee of up to \$10,000. The Training Fee – Remote covers a portion of our expenses to train someone outside of the Metro Detroit area, including the cost of providing the trainer and travel and lodging expenses. We may, at our discretion, permit the Designated Franchisee Training Program, Operator Training Program, or Continuing Training Program to take place outside of the Metro Detroit, MI area and assess the Training Fee – Remote for such training. The Training Fee – Remote must be paid by you prior to the commencement of any such training program. The amount of the Training Fee – Remote may vary based on the amount of training required as detailed in Item 11.

Note 26. "Transfer Fee" shall mean 50% of the then-current franchise fee unless: (i) the Transferee is an existing Owner of another Hungry Howie's restaurant and has previously successfully completed the Initial Training Program in which case the Transfer Fee shall be 25% of the then-current franchise fee; or (ii) the Transferee is an existing Owner of the Restaurant and has completed the Initial Training Program, in which case the Transfer Fee shall be 5% of the then-current franchise fee.

Note 27. Currently, we do not collect the Technology Fee. While we currently have no plans to do so, we reserve the right to collect the Technology Fee in the future. If instituted, the Technology Fee would cover technology expenditures as determined by us and may include but would not be limited to providing the System with general assistance and guidance on Technology Systems (defined in Item 11), technology-related matters, researching and developing new technologies such as hardware, software and cloud-based services, network maintenance and upgrades, website internet/intranet capabilities (such as HOME, defined in Item 8) and internal and external data storage and archiving. If instituted, we shall have complete discretion as to the use and allocation of the Technology Fee funds, which may be used for payment of salaries, wages and benefits, direct program costs and/or overhead expenses related to the above-described activities. The Technology Fee is not intended to cover your costs of acquiring and maintaining required or suggested Technology Systems and other support services you need to support Technology Systems, which would be in addition to the Technology Fee.

Item 7: Estimated Initial Investment

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	Due Date	To Whom Payment is to be Made
Franchise Fee	\$12,500 - \$25,000	Lump Sum	At signing of Franchise Agreement	Us
Franchise Grand Opening Fee	\$15,000	Lump Sum	On the date the Lease is signed	Paid to us for various media and direct mail
Real Estate	\$1,525 – \$4,300 per month	Note 1	Note 1	Note 1
Security Deposits	\$1,525 - \$8,607	Lump Sum	Prior to Opening	Note 1
Leasehold Improvements	\$148,000 - \$275,999 Note 2	Lump Sum	Prior to Opening	Contractors
Architectural Drawings & Local Plan Review Fees	\$4,300 - \$17,300 Note 3	Lump Sum	Prior to Opening	Designated Supplier - Licensed Architect
Equipment and Fixtures	\$83,948.19 - \$179,768.79 Note 4	Lump Sum	Prior to Opening	Us and Designated Suppliers/Vendors
Point of Sale System – Hardware Subscription	\$3,579 – \$3,678 Note 5	Note 5	Prior to Opening	Designated Suppliers/Vendors
Point of Sale System – Software-As-A-Service Subscription	\$444 - \$567 Note 6	Note 6	Prior to Opening	Designated Suppliers/Vendors
Opening Inventory	\$12,000 - \$19,000	Lump Sum	Prior to Opening	Distributing or other Designated Suppliers
Insurance	\$705 - \$3,698 Note 7	Lump Sum	Prior to Opening	Insurance companies
Security Deposits - Utilities	\$0 – \$1,000	Lump Sum	Prior to Opening	Utility companies
Exterior Signage	\$4,103 - \$	Lump Sum	Prior to Opening	Contractors
Digital Displays	\$2,400 - \$3,900 Note 8	Lump Sum	Prior to Opening	Designated Suppliers/Vendors
Travel and Living Expenses During Training	\$0 - \$4,800 Note 9	As Incurred	Prior to Opening	Hotels, restaurants, etc.
Additional Funds - 3 Months	\$2,100 - \$20,000 Note 10	As Incurred	As Incurred	Employees, vendors, landlord, utilities

Type of Expenditure	Amount	Method of Payment	Due Date	To Whom Payment is to be Made
TOTAL Notes 11, 12, 13 & 14	\$292,129 - \$567,248			

Note 1. You must secure suitable real estate for your Restaurant. Typical locations for Restaurants are between 1,300 and 1,600 square feet. Ordinarily, the real estate is leased and located in strip centers within metropolitan and suburban areas. Less typically, the real estate is a free-standing building. The amounts indicated assume that the real estate is leased and reflect a typical range of monthly rentals. The amount of your rent is dependent upon such factors as size, condition and location. Neither Hungry Howie's nor its affiliates will lease real estate to you. The amount of rent, the time at which the rent is due and to whom the rent must be paid is subject to negotiation by you and the landlord. Ordinarily, you will not pay rent until you open your Restaurant. However, there are instances in which you may have to pay rent for 1-2 months prior to opening your Restaurant, due to your unique lease negotiations and construction schedule. Security deposits are payable to landlords and utility companies. This estimate contemplates a security deposit equal to one month's rent. You may be required to pay a larger security deposit. The space and monthly rent for a Non-Traditional Restaurant will be dependent upon the venue in which the Non-Traditional Restaurant is located and varies significantly.

Note 2. The amount of leasehold improvements is before any landlord-provided tenant improvements or allowances.

Note 3. The amount shown includes the fees assessed by various local municipalities, which vary. The amount shown does not include the \$2,500.00 fee that you must pay to our designated architect if you utilize an Alternate Architect. The use of an Alternate Architect is not typical. The amount shown also does not include additional services such as additional on-site visits, engineering fees and reimbursable expenses. Your cost will vary depending on the type of build-out of the Restaurant, such as in-line strip centers, conversion of free-standing buildings, or stand-alone shells.

Note 4. The amount shown is for the purchase of equipment and fixtures for a Restaurant. Equipment and fixtures for a Non-Traditional Restaurant will vary depending on space and menu limitations, but are generally less than a Restaurant. If you lease these items, your initial investment will be less than the amount shown but there will be a monthly lease payment.

Prior to opening the Restaurant, you must purchase from us a conveyor oven and hood system. We are the only designated supplier for the sale of the conveyor oven and hood system which you are required to install in the Restaurant. The cost of the conveyor oven and hood system will be between \$32,200 and \$48,600, depending on the number and size of the ovens and hood system required, installation charges and shipping/freight charges. You will be required to pay a deposit of 50% of the total costs at the time you place an order with us. The balance must be paid prior to delivery and installation.

Note 5. The amount shown includes a \$3,361 required down payment that includes cloud configuration, data sync, installation and training plus the first month's payment for the hardware subscription. The hardware subscription is an ongoing monthly subscription fee you must pay to our Designated Supplier as part of a 48-month contract between you and our Designated Supplier. The monthly subscription fee may vary depending on what optional hardware options, such as a tablet or additional ordering stations, are selected. The amounts shown do not include shipping, travel expenses related to installation and training, or any applicable federal, state or local taxes.

There is an advance replacement warranty on the hardware and peripherals. The warranty does not include items such as loss, theft, misuse, or destruction of the equipment due to casualty.

Note 6. The POS System is a cloud-based software-as-a-service and requires an ongoing monthly subscription fee of \$444 to \$567 which you must pay to our Designated Supplier as part of a 48-month contract between you and our Designated Supplier. The monthly subscription fee may vary depending on what optional features, such as use of a tablet, additional ordering stations, or credit card gateway fee, are selected. In addition to the monthly subscription fee, there is a \$0.50 per transaction fee for the text-to-order feature, which permits customers to place orders via text message. You may disable the text-to-order feature so that customers are no longer able to use it and you will not be charged the \$0.50 per transaction fee. However, you will still be required to pay the entire monthly subscription fee.

The amount shown does not include a \$26 monthly third party API fee or a \$49.00 monthly loyalty program fee, which are both currently paid for by the National Marketing Fund (defined in Item 8) to our Designated Supplier on your behalf.

Note 7. The amount shown includes an initial deposit (if applicable) and the first required insurance payment. Your initial payment may vary depending on the period of time your insurance policy covers and the amount of time over which it is paid. You must maintain the following insurance coverage: "all risk" business property for the restaurant build-out and contents for full replacement cost value; business interruption equal to actual loss sustained; general liability (including products liability); owned, non-owned, and hired auto liability; employment practices liability; workers' compensation and occupational disease; umbrella or excess liability. We may require you to purchase other types of insurance and we may require you to increase coverage limits.

Note 8. The amount shown includes total upfront fees which you must pay to our Designated Supplier. The amount shown does not include shipping and handling or any applicable federal, state or local taxes. Financing might be available through the Designated Supplier.

Note 9. The amount you spend during training will differ depending on a variety of factors, including your choice of accommodations, the rental car you select, the number of people who attend training on behalf of the Restaurant, etc.

Note 10. Estimated funds needed to cover your initial expenses during the first 3 months of operation (other than the items identified separately in the table), not including any draw or salary for you or an Operator. The amount shown includes the \$600 setup fee and \$500 a month you must pay to our Designated Supplier for the preparation of financial statements (see Item 8). You may need additional working capital during the first 3 months you operate your Restaurant and for a longer time period afterward. Your costs will depend on whether you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and your Restaurant's sales during the initial period.

Note 11. We have relied on our numerous years of experience franchising, and our principals' and affiliates' numerous years of experience developing and operating, Hungry Howie's® Restaurants to complete these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

Note 12. We do not offer direct financing to franchisees for any items. Upon request, we will provide you with a list of lenders or persons that may be of assistance to you in securing financing.

Note 13. The expenditures are non-refundable unless otherwise provided in your agreement with the third party providing the goods and/or services.

Note 14. Your Estimated Initial Investment also includes Non-Traditional Restaurants. Any known variations between Restaurants and Non-Traditional Restaurants are stated in the notes above. We describe the Development Fee in Item 5. No separate initial investment is required when you sign the ADMUA.

Item 8: Restrictions on Sources of Products and Services

Required and Approved Suppliers

If we name one or more Designated Suppliers now or in the future for certain products or services, (1) such information will be made available to you in the Manual and (2) you are not granted the right to use alternative suppliers for such products or services unless otherwise stated in this disclosure document. Our criteria for approving suppliers are not available to you.

You must purchase all your Products from Distributing or a Designated Supplier. Distributing is not the only approved supplier of Products for franchisees. You may only use the Products at your Restaurant and you are prohibited from re-selling, transferring or sharing the Products with any other person or entity. You must purchase all equipment, supplies and materials, uniforms, signage, menu boards, printed materials, posters and menus only from us or from a Designated Supplier. You are required to promptly and fully pay any Designated Supplier.

An officer of Hungry Howie's owns an interest in Distributing. Hungry Howie's is not a Designated Supplier of the Products but is a Designated Supplier for conveyor ovens and hood systems and may in the future be a Designated Supplier of equipment or services used in the Restaurant. Distributing does not supply Products west of the Mississippi River. Franchisees in states west of the Mississippi River and areas of the Northeast and Mid-Atlantic states, must purchase products from another distributor designated by us. Designated Suppliers are selected based on their ability to supply you with the same Products as Distributing on a regularly scheduled basis. We retain the right to substitute, add or delete Designated Suppliers at any time in our discretion. Distributing does not supply packaged beverages and post-mix products (collectively "Beverages"). All Beverages must be purchased from a beverage supplier we designate. Only those Beverages approved by us may be sold by you.

You must purchase your conveyor ovens and hood system only from us.

We may assign an email address to you and require you to maintain the email address at your cost. You will not have the right to change the email address without our consent.

We will designate an accounting firm to prepare Financial Statements you are required to furnish to us. "Financial Statements" shall mean an income statement and balance sheet prepared as prescribed by us in the Manual. The Financial Statements are not audited.

We will designate a licensed architect to prepare a floor plan and drawings for your Restaurant.

We will require you to purchase certain Technology Systems (defined in Item 11) designated by us. This designation may include the manufacturer or developer as well as the model number or other similar designation. If we name a Designated Supplier, alternate suppliers will not be acceptable. We may derive revenue, but we are not currently deriving revenue, based upon required purchases or leases of Technology Systems.

We will require you to use a Designated Supplier for a Technology System which provides the POS System, including online ordering (web and mobile app) and customer loyalty, which collects sales and customer information and data of the Restaurant, and performs other functions. However, you are not required to utilize these Technology Systems for matters related to Employment Practices. "Employment Practices" means your labor relations and practices related to your or the Restaurant's employees, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

The National Marketing Fund subsidizes a portion of our Designated Supplier's monthly recurring fees for these programs. We may reduce or discontinue these subsidies from the National Marketing Fund in the future. "National Marketing Fund" shall mean a fund to collect and administer National Marketing Fees which are collected from you and which may be combined with similar funds collected from other franchisees and which is established or administered as a marketing fund. Except for permitted reimbursement of expenses as described in Item 11, we do not currently derive revenue from these services but we may do so in the future.

You must participate in our HowieCast digital display system for digital lobby displays, digital menu boards, and a digital back of the house display. You must purchase or lease-to-own the hardware needed to participate in the HowieCast digital display system from a Designated Supplier, described in Item 7 above. The Manual will establish any and all rules, guidelines, standards and specifications for this Technology System. However, you are not required to utilize HowieCast for matters related to Employment Practices. We will derive revenue from a weekly recurring fee for this system paid to us in accordance with Item 6 above.

We will require you to participate in and comply with the requirements of certain physical or electronic gift cards, or other similar redemption programs. These programs currently include a consumer gift card program and consumer-driven fundraising program for non-profit entities such as schools, religious organizations, and youth activities. We will require you to purchase or lease from us or a Designated Supplier the software, hardware, cards, and other items needed to participate in these programs as required by the Manual. We have Designated Suppliers for these programs. You will be required to pay these Designated Suppliers transaction fees per transaction for gift cards. The Manual will establish any and all rules, guidelines, standards and specifications for this program. Currently, the National Marketing Fund subsidizes a portion of our Designated Supplier's monthly recurring fees for gift cards. We may reduce or discontinue these subsidies from the National Marketing Fund in the future. These programs may result in revenue to us to the extent that there may be expired or unredeemed gift cards or coupons offered under these types of programs.

We will require you to participate in and comply with the requirements of a customer loyalty program or other similar reward program. We will require you to purchase or lease any software, hardware or other items needed to participate in and accept customer incentives from the program at partial or all expense to you, as required by the Manual and from a Designated Supplier. We have a Designated Supplier for this program. The Manual will establish any and all rules, guidelines, standards and specifications for these programs. Currently, the National Marketing Fund subsidizes our Designated Supplier's monthly recurring fees for the customer loyalty program. We may reduce or discontinue these subsidies from the National Marketing Fund in the future. While we do not currently derive revenue from these services we may do so in the future.

We will require you to participate in an online service monitoring program, a phone system, and a social media standards and monitoring program. We have Designated Suppliers for these programs. Currently some or all of a portion of the monthly recurring fees for these programs is being subsidized by the National Marketing Fund. We may reduce or discontinue these subsidies

from the National Marketing Fund in the future. While we do not currently derive revenue from these services we may do so in the future.

The purchase of products and services from Distributing, another Designated Supplier, approved suppliers, or in compliance with our standards and specifications will represent between 95% and 100% of your overall purchases of products and services to establish and then operate the Restaurant.

Approval of Alternate Suppliers

Unless otherwise stated in this disclosure document, we do not permit you to contract with alternative suppliers that meet our criteria and we collect no fees to secure approval from us for you to purchase from alternative suppliers. Since we generally do not grant approval for alternative suppliers, there is no time period in which we are required to notify you of approval or disapproval of an alternative supplier. There is no procedure for revoking any approvals that may be granted. We do not issue specifications for goods or services, nor how we may modify those specifications.

After the first full year of operations, you may request an alternate accounting firm (“Accounting Firm”) for approval by us, which approval will not be unreasonably withheld. Any request must be in writing and must state your name and the name and address of the Accounting Firm. Within 30 days after your request, we will inform you if the Accounting Firm has been approved. We may investigate if the Accounting Firm can competently complete our Financial Statements. However, such an investigation or approval will not be considered a representation or guarantee that the Accounting Firm you requested will provide service in accordance with any professional or industry standards or applicable laws. No fee is paid to us to secure approval. There is no procedure to revoke Accounting Firm approval. However, if we approve an Accounting Firm and later determine that such Accounting Firm is not performing competently or in a timely manner, we will notify you in writing that you must change the Accounting Firm within a reasonable period of time.

Despite our designation of a licensed architect, you may request a different licensed architect (the “Alternate Architect”) for approval by us, which approval will not be unreasonably withheld. Any request must be in writing, must state your name and the name and address of the Alternate Architect. Within 30 business days after the request we will inform you if the Alternate Architect has been approved. We may investigate if the Alternate Architect can competently complete the work. However, such an investigation or approval will not be considered a representation or guarantee that the Alternate Architect you requested will provide service in accordance with any professional or industry standards or applicable laws. We will have an architect approved by us review the floor plan and drawings prepared by the Alternate Architect. You must pay to our designated architect the fee it charges to review the Alternate Architect’s work. No fee is paid to us to secure approval. There is no procedure to revoke Alternate Architect approval. However, if we approve an Alternate Architect and later determine that such Alternate Architect is not performing competently or in a timely manner, we will notify you in writing that you must change the Alternate Architect within a reasonable period of time.

Revenue from Franchisee Purchases

We derive revenue from the sale of conveyor ovens and hood systems to you. Our revenue for the calendar year 2022 from the sale of conveyor ovens and hood systems was \$1,014,603. Our total revenue for 2022 was \$30,968,492. Revenue from the sale of conveyor ovens and hood systems in 2022 was less than 3.28% of our total revenue.

We expect to derive revenue from you for the weekly subscription fee for HowieCast. At the time of publication of this Disclosure Document, no revenue for HowieCast has been assessed or received.

Distributing will derive revenue from the sale of the Products to you. The revenue of Distributing from sales to Hungry Howie's franchisees for the calendar year 2022 was \$129,752,788.

We may derive revenue from Distributing with respect to any items purchased by you from Distributing which bear any of the Hungry Howie's service marks or trademarks. We may derive revenue from Distributing with respect to any Products purchased by you from Distributing. However, there is no presently existing agreement which requires Distributing to pay any amount to us with respect to the purchase of such items by you.

Certain vendors pay us rebates based upon purchases by franchisees, Distributing and other Designated Suppliers. The rebates range between .28% and 16.43% of purchases. Certain vendors may designate rebates for a particular use.

Payment Processing Services

We may require you to use a Designated Supplier for a Technology System which permits the Restaurant to accept and process various forms of payment, including debit and credit cards. We do not currently have a Designated Supplier for this service. If we name one or more Designated Supplier for this service, you will be required to use the services of such Designated Supplier. While we do not currently derive revenue from these services we may do so in the future.

HOME

You must utilize Howie's Online Management Exchange or any similar system that we may designate as its supplement or replacement ("HOME") in order to access the Manuals and other training materials, file certain reports related to your sales, and receive other communications from us. However, you shall not be required to utilize HOME for matters related to Employment Practices. You shall, at your own expense, have an Electronic (defined in Item 11) device to access HOME. In the future, we may require you to purchase such Electronic device as designated by us for such purpose.

"Employment Practices" means your labor relations and practices related to your or the Restaurant's employees, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

Insurance

We do not now but, in the future, may require franchisees to purchase casualty, workers' compensation and occupational disease, general liability, products, non-owned and hired auto, business interruption, business property, employment practices liability, umbrella or excess liability and similar insurance from an insurer or insurers designated by us. Currently insurance may be acquired from any insurance carrier approved by us. We do not currently have a Designated Supplier for insurance. While we do not currently derive revenue on the purchase of such insurance we may do so in the future. The insurer may allow us to purchase insurance we cannot obtain unless substantially all franchisees acquire insurance from the same insurer.

Location Selection and Negotiation

We may require you to utilize the services of a Designated Supplier to assist in the location selection process or negotiations of the Lease. In the event that we require you to utilize such a Designated Supplier, we shall notify you in writing of any associated fees that you must pay. We do not have a Designated Supplier for these services. In the event that we name one or more Designated Supplier for this service, you will be required to use the services of such Designated Supplier. While we do not currently derive revenue from these services, we may do so in the future.

Internet Services Provider

We may require you to utilize a Designated Supplier for a Technology System which provides internet access to the Restaurant, which may include secure voice and data lines, in accordance with the Manual. Currently, internet service may be acquired from any internet service provider approved by us. We do not currently have a Designated Supplier for this service. In the event that we name one or more Designated Supplier for this service, you will be required to use the services of such Designated Supplier. Alternate suppliers will not be acceptable. While we do not currently derive revenue from required purchases or leases from internet service providers, we may do so in the future.

PCI DSS Compliance

We may require you to utilize a Designated Supplier for payment card industry data security standards ("PCI DSS") compliance. Currently, PCI DSS compliance services may be acquired from any PCI DSS service provider approved by us. We do not currently have a Designated Supplier for this service. In the event that we name one or more Designated Suppliers for this service, you will be required to use the services of such Designated Supplier. Alternate suppliers will not be acceptable. While we do not currently derive revenue from these services, we may do so in the future.

Cooperatives

There are no purchasing or distribution cooperatives.

Negotiated Prices

We negotiate purchase arrangements, including prices and payment terms, with certain suppliers. In doing so, we and our affiliates seek to promote the overall interests of the franchise system and affiliate and affiliate-owned operations and our interest as the franchisor.

Material Benefits

We do not provide material benefits to a franchisee based on the use of designated or approved suppliers.

Item 9: Franchisee's Obligations

This table lists your principal obligations under the Franchise Agreement 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	Paragraph in Franchise Agreement (FA)/ADMUA	Disclosure Document Item
a. Site selection and acquisition/lease	FA Paragraphs 3.1, 3.2, 3.3 and 3.4 ADMUA Paragraph 2.1 and 2.2	Items 1, 7, and 11
b. Pre-opening purchases/leases	FA Paragraph 3.6 ADMUA Paragraph 2	Items 7 and 8
c. Site development and other pre-opening requirements	FA Paragraphs 3.5 and 3.6 ADMUA Paragraphs 1, 2 and 3	Items 6, 7, and 11
d. Initial and ongoing training	FA Paragraphs 3.7-3.9 and 10.17	Item 11
e. Opening	FA Paragraph 3.10 ADMUA Paragraph 1	Item 11
f. Fees	FA Paragraphs 5, 6 and 9 ADMUA Paragraph 5	Items 5 and 6
g. Compliance with standards and policies/operating manual	FA Paragraphs 10 and 15	
h. Trademarks and proprietary information	FA Paragraph 14	Items 13 and 14
i. Restrictions on products/services offered	FA Paragraph 8	Item 16
j. Warranty and customer service requirements	FA Paragraph 10.9	Not Applicable
k. Territorial development and sales quotas	ADMUA Paragraph 1	Item 5
l. Ongoing products/service purchases	FA Paragraph 8	Item 8
m. Maintenance, appearance and remodeling requirements	FA Paragraphs 3.9, 3.10 and 9.8	Not Applicable
n. Insurance	FA Paragraph 13	Items 6, 7, and 8
o. Advertising	FA Paragraph 12	Items 6, 7, and 11
p. Indemnification	FA Paragraph 13.12	
q. Owner's participation/management/staffing	FA Paragraphs 10.2 and 10.3	Items 11 and 15
r. Records and reports	FA Paragraphs 7 and 9	Item 6
s. Inspections and audits	FA Paragraphs 7.5 and 10.19	Items 6 and 11
t. Transfer	FA Paragraph 17 ADMUA Paragraph 7	Item 17
u. Renewal	FA Paragraph 4.3	Item 17
v. Post-termination obligations	FA Paragraphs 16.2, 17 and 18.13 ADMUA Paragraph 6	Item 17
w. Non-competition covenants	FA Paragraph 16	Item 17
x. Dispute resolution	FA Paragraphs 22 and 23	Item 17
y. Other: Security Interest	FA Paragraph 19	Not Applicable

Obligation	Paragraph in Franchise Agreement (FA)/ADMUA	Disclosure Document Item
z. Other: Guarantee of Franchisee Obligations	FA Paragraph 19	

Item 10: Financing

Neither we nor any of our affiliates offers direct or indirect financing. Neither we nor any of our affiliates will guaranty your note, lease or obligations.

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

Except as listed below, Hungry Howie's is not required to provide you with any assistance.

Pre-Opening Assistance

Prior to the Restaurant opening for business, we shall do all of the following:

(a) Designate the geographic area in which the Restaurant will be located (Franchise Agreement, Paragraph 3.1). If you enter into an ADMUA with us, we will also designate the geographic area in which all Restaurants must be located (ADMUA, Exhibit A Part 2).

(b) Provide general advice, guidance and assistance on the selection of a location for the Restaurant (Franchise Agreement, Paragraph 3.2). The location shall be selected by you with our consent and approval. We shall expend such time and effort, and incur such expenses, as we believe to be reasonably necessary to evaluate the locations proposed by you for the Restaurant. You shall not share the premises occupying the Restaurant with any other business, nor shall you engage in co-branding without our prior written approval. We may require you to utilize the services of a Designated Supplier to assist in the location selection process (Franchise Agreement, Paragraphs 3.1 and 3.2). We will approve or disapprove your location within 5 days after we receive notice of the proposed location. Numerous factors go into the approval or disapproval of a location that include population in the area, number of individuals per household, and density of retail shops in proximity of the location. If you enter into an ADMUA with us, we may provide lesser degrees of advice, guidance and assistance to you, as may be described in Paragraph 3 or elsewhere in the New Agreement (or similar provision governing location selection and approval in a New Agreement), for the Scheduled Units, based on our determination of your need for our advice, guidance and assistance. In granting you the Development Rights, we are relying on your knowledge of the real estate market and your ability to locate and access locations within the Development Area (ADMUA, Paragraph 2.1).

(c) Provide you general advice, guidance and assistance on the negotiation of the Lease for the Restaurant (Franchise Agreement, Paragraph 3.3). We may require you to utilize the services of a Designated Supplier to assist in the negotiations of the Lease.

(d) Provide you general advice, guidance and assistance on developing and preparing the Drawings for the Restaurant (Franchise Agreement, Paragraph 3.5).

(e) Inspect the Restaurant to determine if it has been constructed in conformity to the approved Drawings and with the System (Franchise Agreement, Paragraph 3.6).

(f) Make available to your Operator the Operator Training Program (Franchise Agreement, Paragraph 3.7).

(g) Make available to your Designated Franchisee the Designated Franchisee Training Program (Franchise Agreement, Paragraph 3.8).

(h) Mutually agree to a specific date on which the Restaurant will open for business so that we can coordinate our support services to you (Franchise Agreement, Paragraph 3.10). If the Restaurant is not open for business within 1 year after the Effective Date of the Franchise Agreement, the Franchise Agreement may be terminated at our option by providing you a Default Notice. "Effective Date" shall mean the date the Franchise Agreement is signed by us. "Default Notice" shall mean written notice of either our default or your default in sufficient detail for the defaulting party to reasonably understand the nature of the default along with a description of any action that must be taken to affect a cure, if a cure is permitted. The Default Notice will provide you

60 days from the date of the Default Notice to open the Restaurant for business. If the Restaurant is not open for business within such 60 day period, no further Default Notice will be required and Hungry Howie's shall keep the Franchise Fee paid by you (Franchise Agreement, Paragraph 18.2).

(i) Provide initial advertising and grand opening promotions (Franchise Agreement, Paragraph 12.10).

(j) Provide you access to the Manual (Franchise Agreement, Paragraph 15.1).

(k) You are typically expected to open your Restaurant 3 to 9 months after you sign a Franchise Agreement. The factors that affect this time are the ability to obtain a lease, financing or building permits, zoning and local ordinances, weather conditions, shortages and delayed installation of equipment, fixtures and signs. We must approve your Restaurant before opening. We will mutually agree to a specific date on which the Restaurant will open for business so that we can coordinate our support services to you. One of our employees will perform an on-site inspection and visit your Restaurant to judge if it is ready to open. The employee will have the power to inform you of action you must take in order to open. In lieu of an on-site inspection, we may require you to furnish photos and videos of your Restaurant. We will designate the date on which you shall open your Restaurant for business.

If the Restaurant is not open for business within 1 year after the Effective Date, the Franchise Agreement may be terminated at our option by providing you a Default Notice. The Default Notice will provide you 60 days from the date of the Default Notice to open the Restaurant for business. If the Restaurant is not open for business within such 60-day period, no further Default Notice will be required and Hungry Howie's shall keep the Franchise Fee paid by you. You must meet all other requirements to open for business as required by the Franchise Agreement (Franchise Agreement, Paragraph 18.2).

If the Restaurant is not open for business within 2 years after the Effective Date, the Franchise Agreement shall automatically terminate without the need for a Default Notice and Hungry Howie's shall be entitled to keep any fees paid by you (Franchise Agreement, Paragraph 18.3).

Continuing Assistance

After the Restaurant is opened for business and during the term of the Franchise Agreement, we shall do all of the following:

(a) Notify you in writing of the Upgrades that are required by us (Franchise Agreement, Paragraph 3.11).

(b) If you desire or are required to relocate the Restaurant, we will provide location selection assistance (Franchise Agreement, Paragraph 3.14).

(c) Make the Continuing Training Program available (Franchise Agreement, Paragraph 3.9).

(d) Provide the identity of any Designated Supplier (Franchise Agreement, Paragraph 8).

(e) Administer, implement, and provide approvals for the Marketing Funds and Marketing (Franchise Agreement, Paragraph 12).

(f) Cooperate with you to protect the System against the infringement of the Marks. We shall defend you against any claim, demand or suit against you concerning the Marks (Franchise Agreement, Paragraph 14.5).

(g) Provide approval or consents for Transfer (Franchise Agreement, Paragraph 17.2).

Optional Assistance

At your reasonable request, we shall periodically consult with you concerning the operations of the Restaurant. However, we shall have no obligation to consult with you according to any schedule or any specified times, rate or frequency. You acknowledge that it would be impossible for us to consult with each of our franchisees an identical number of times or for an identical amount of time, and that the extent of your meetings and consultation with us may be greater or less than other franchisees (Franchise Agreement, Paragraph 11.1).

Advertising

Marketing Fees: In General

Currently, we have three marketing funds – the National Marketing Fund and two Local Marketing Funds, all of which are described below. (All of the discussion appearing below is derived from Paragraph 12 of our Franchise Agreement.)

You are required to pay a Marketing Fee of 7% of your Gross Sales. The 7% Marketing Fee is subject to minimum amounts for each Reporting Period (as described in Item 6 above). The Marketing Fee is allocated, in our sole discretion, among the National Marketing Fund and the Local Marketing Fund. The Local Marketing Fund to which you contribute is determined by whether your store is in a broadcast-feasible market or not. A “broadcast-feasible market” is determined by the board of directors of each respective Local Marketing Fund and is one in which traditional broadcast media, such as radio and television, are affordable and efficient advertising options for the stores in such market. The allocation may vary during the Term and differ for various franchisees in the System based on varying franchise agreements we have with other franchisees. Currently, of the Marketing Fee you pay, $\frac{1}{7}$ th (which is equal to 1% of Gross Sales) will be allocated as the National Marketing Fee and deposited into the National Marketing Fund. The remaining $\frac{6}{7}$ th (which is equal to 6% of Gross Sales) will be allocated to the Local Marketing Fee and deposited into the Local Marketing Fund.

If we choose to raise or reduce the allocation of the Marketing Fee to either the National Marketing Fund or the Local Marketing Fund, then we will concurrently and proportionately reduce or raise, as applicable, the allocation of the Marketing Fee to the corresponding fund so that the total allocation to both the National Marketing Fund and the Local Marketing Fund does not exceed the Marketing Fee. We may, in our sole discretion, modify the allocation of the Marketing Fee between the National Marketing Fund and the Local Marketing Fund as often as we desire. However, if we intend to alter the allocation of the Marketing Fee, we will provide you 90 days’ prior written notice of such change.

Some “legacy franchisees” which are not obligated to and do not report sales to us may contribute a different amount, at a different rate, or a different manner. “Legacy franchisees” are a very limited number of franchises granted many years ago that operate Howie Howie’s restaurants pursuant to oral license agreements which are terminable at-will.

Currently, we receive monies from other franchisees that have alternate provisions in their respective franchise agreements pertaining to Marketing. In 2018, franchisees located in the broadcast-feasible DMAs in Michigan (that had stores signed to franchise agreements with

alternative marketing provisions) voluntarily entered into amendments which, among other things, reallocated their marketing expenditures and established certain minimum dollar contributions. These franchisees represent 135 stores. We may use these monies for the same or similar purposes for which we use your contributions to the 2 Marketing Funds. You shall contribute to the Marketing Funds as we direct.

We may decide in our sole discretion not to collect a portion of the Marketing Fee from you. If we make this decision, then we will provide you 90 days written notice. You are then responsible for administering and spending on Local Marketing the portion of the Marketing Fee that we do not collect from you. We may Audit your expenditures to determine if you are administering and spending that amount on Local Marketing. You shall maintain for inspection all agreements, bills, invoices, canceled checks, and other records necessary to document that fact. We may revoke or alter our election not to collect a portion of the Marketing Fee from you by providing you with 90 days written notice. If we decide not to collect a portion of the Marketing Fee from you, then we may require you to submit to us a Marketing Plan on a quarterly or annual basis. If you are required to submit a Marketing Plan, we will provide you with at least 30 days' prior written notice indicating when the Marketing Plan must be submitted to us. The Marketing Plan shall be submitted to us in a manner and in such detail as prescribed by us from time to time in the Manual.

The Marketing Plan must be approved by us. We shall have 30 days after receipt of the Marketing Plan to object to all or a portion of the Marketing Plan. If we fail to object within 30 days, then you shall spend that portion of the Marketing Fee that we decided not to collect from you in accordance with the Marketing Plan that you submitted to us. If we do not object to the Marketing Plan you submit to us, this will be considered our approval. However, it will not be considered a representation or guaranty of the effectiveness of the Marketing Plan you submit to us. If we object to the Marketing Plan you submit to us, you will make changes as reasonably prescribed by us. Although we may have approved a Marketing Plan you submit to us in the past, this does not mean that future or different Marketing Plans you submit to us are approved (Franchise Agreement, Paragraph 12.5).

We may establish alternate methods of collecting any of the Marketing Fee. Alternate methods may include collecting a price differential from you on the price of certain products or services that you must purchase. If an alternate method is used to collect the Marketing Fee, on an annual basis we shall compare the amount collected with the amount which would have otherwise been collected for the Marketing Fee. If there is a deficiency between the alternate method and what otherwise would have been collected, then we may collect such deficiency from you. You must pay any deficiency within 30 days after receipt of the invoice. Failure to pay any deficiency in a timely manner will subject the deficiency to the Late Fee and the Interest Fee (as described in Item 6 above). We will refund any excess amount collected from you within 30 days of the reconciliation.

Other than the amount paid by franchisees, Hungry Howie's is not required to spend any amount on advertising in the area where your Restaurant is located (Franchise Agreement, Paragraph 12.2).

National Marketing Fund

The "National Marketing Fund" is the fund we use to collect National Marketing Fees and administer National Marketing. The National Marketing Fee may be combined with similar funds collected from other franchisees (as described in Item 6 above). (Franchise Agreement, Paragraphs 1.75 and 12.3.)

The “National Marketing Fee” is the portion of the Marketing Fee designated for National Marketing and contributed to the National Marketing Fund in accordance with the Franchise Agreement (Disclosure Document, Item 6; Franchise Agreement, Paragraphs 1.74 and 12.1(a)).

“National Marketing” is Marketing which we decide is meant to generally increase the goodwill associated with the Marks or the System, but does not require that the Restaurant or any Hungry Howie’s Unit benefits directly, pro rata, or equally from such Marketing (Disclosure Document, Item 6; Franchise Agreement, Paragraphs 1.73 and 12.1(a)).

We will deposit the National Marketing Fee into the National Marketing Fund, which was formed in 2013 as the Hungry Howie’s National Advertising Fund, Inc., a Michigan not-for-profit corporation. In 2018, we filed an assumed name of this Michigan not-for-profit corporation as “Hungry Howie’s National Marketing Fund, Inc.” The National Marketing Fund is operated by appointed directors. The directors are selected by us, and franchisees have no voting power. Subject only to the restrictions in the Franchise Agreement described in this Item 11, the directors have full decision-making authority over the National Marketing Fund. The National Marketing Fund manages contributions from franchisees made for National Marketing. We intend that National Marketing Fund expenditures maximize recognition of the Marks and patronage of Hungry Howie’s Restaurants and enhance, promote, and protect the System through National Marketing. However, we do not have an obligation to ensure that any National Marketing Fund expenditures are made in proportion to any specific franchisee’s National Marketing Fund contribution. Nor do we have an obligation to ensure that any National Marketing Fund expenditures benefit all Restaurants equally. Currently, the National Marketing Fund does not make decisions regarding the expenditure of advertising funds in Florida.

In 2022, of the money spent by the National Marketing Fund, 49.18% was spent on production, including commercial production, design, account management, copywriting and planning, research and point of purchase kits; 36.51% was spent on media placement, including e-mail, print, internet, sponsorships and online ordering reimbursements; and 14.31% was spent on administrative expenses.

Local Marketing Fund

The “Local Marketing Fund,” is the fund we use to collect Local Marketing Fees and administer Local Marketing. The Local Marketing Fee may be combined with all or some of similar funds collected from other franchisees. (Disclosure Document, Item 6; Franchise Agreement, Paragraphs 1.62, 12.1(b) and 12.3).

The “Local Marketing Fee” is the portion of the Marketing Fee designated for Local Marketing and contributed to the Local Marketing Fund in accordance with the Franchise Agreement (Disclosure Document, Item 6; Franchise Agreement, Paragraphs 1.61 and 12.1(b)). “Local Marketing” is Marketing that we decide is meant to generally increase the goodwill of the Marks and the Restaurant within the Restaurant’s general trading area. However, we may decide that the goodwill of the Marks and the Restaurant within the Restaurant’s general trading area would benefit from pooling some or all your Local Marketing Fee with some or all of the local marketing fees of other Hungry Howie’s Units. Such pooling may be done by DMA, geographical area, or by a demographic, psychographic, or other similar segmentation. Local Marketing may include broadcast television, outdoor advertising, radio, sponsorships of sports teams, print advertising, and the utilization of any Electronic or other emerging media or promotional tactics, such as digital or social media. Local Marketing does not include the purchase of any interior or exterior signage for the Restaurant. We will decide whether something is “Local Marketing”. (Franchise Agreement, Paragraph 1.60).

Depending on whether your Restaurant is located in a broadcast-feasible market or not, we will deposit the Local Marketing Fee into one of two Local Marketing Funds:

Hungry Howie's Marketing Fund, Inc. ("Marketing Fund I") was formed in 2000 as Hungry Howie's Advertising Fund, Inc., a Michigan not-for-profit corporation. The Marketing Fund I was originally created to manage contributions from franchisees for regional advertising. Currently, the Marketing Fund I collects and administers Local Marketing Fees collected from franchisees in broadcast-feasible markets, as well as local and regional marketing fees collected from franchisees with older franchise agreements that contain different terms than yours. In 2021, in accordance with provisions of Michigan law, the members of the Marketing Fund I voted to change the Marketing Fund I from a membership basis to a directorship basis. This resulted in a change where there are no longer members of Marketing Fund I, whose primary responsibilities were to elect the board of directors and amend the articles of incorporation. Operating on a directorship basis allowed the Marketing Fund I to streamline its operations by only needing the approval of its directors, who have been appointed by us to make decisions. Updated articles of incorporation were filed, and the company name was updated to Hungry Howie's Marketing Fund, Inc.

Hungry Howie's Marketing Fund II, Inc., a Michigan not-for-profit corporation ("Marketing Fund II") was formed in 2021.

If your Restaurant is located in a broadcast-feasible market (currently, only Restaurants in the state of Michigan), then the Local Marketing Fee will be deposited into Marketing Fund I. If your Restaurant is not located in a broadcast-feasible market (i.e., anywhere outside the state of Michigan), then the Local Marketing Fee will be deposited into Marketing Fund II.

Both the Marketing Fund I and the Marketing Fund II (the "Local Marketing Funds") are operated by a board of directors. The directors are selected by us. Subject to the restrictions in the Franchise Agreement described in this Item 11, the board of directors has authority over the Local Marketing Funds. Marketing Fund I manages contributions for Local Marketing from franchisees in broadcast-feasible markets (currently, only stores in the state of Michigan). Marketing Fund II manages contributions for Local Marketing from franchisees not in broadcast-feasible markets (currently, anywhere outside the state of Michigan).

The board of directors for the Local Marketing Funds have each established a franchisee advisory council. Members of each council are Designated Franchisees and are appointed by us. Franchisees have an opportunity to nominate advisory councilmembers who meet our then-current qualifications. The objective of each advisory council is to provide an efficient means to promote constructive and open communications with respect to the formulation of marketing plans and programs that impact franchisees in their respective broadcast or non-broadcast feasible markets as determined by the Board. Members of the advisory councils serve in a voluntary advisory capacity and do not have authority to establish or modify the policies, strategies, or plans of the Local Marketing Funds or Hungry Howie's. However, the board of directors may take into consideration the input of the advisory councils. Hungry Howie's is solely responsible for publishing recommended pricing of all Hungry Howie's products. It is our intent to appoint select members from the Local Marketing Funds' advisory councils to an advisory council to the National Marketing Fund, which is described above. The formation and structure of such advisory council to the National Marketing Fund will be substantially the same as the advisory councils to the Local Marketing Funds. There is no other advertising council comprised of franchisees that advises us on advertising policies.

Separate bank accounts are kept for Marketing Fund I and Marketing Fund II. An accounting is kept of the Local Marketing Funds, so that income and expenses related to Local Marketing may be determined on a reasonable basis.

The Local Marketing Funds also collect contributions from franchisees operating under different franchise agreements. The Local Marketing Funds are used for advertising on a local and regional level and spend contributions from franchisees under different franchise agreements and new franchisees for the same purpose through the same entity.

Expenditures from the Local Marketing Funds shall be generally intended to enhance recognition of the Marks and patronage of Hungry Howie's Restaurants and enhance and promote the System through Local Marketing. Other than as specifically provided in Paragraph 12 of the Franchise Agreement, we are not required to spend any amounts on Marketing in the area of or for the direct benefit of the Restaurant. For the expenditure of the Marketing Funds, we have no obligation to: (i) make expenditures which are equivalent or proportionate to your contributions or the contributions of any other franchisee; (ii) ensure that the Restaurant benefits directly or pro rata from the placement of Marketing; or (iii) ensure that any Marketing directly benefits the Restaurant. Additionally, we have no obligation to ensure that any Marketing Fund expenditures benefit all Hungry Howie's Units equally. In the administration or operation of the Marketing Funds, a reasonable amount of overlap may occur between your Territory and the territory of other franchisees. There may be crossover into the territory of other franchisees and, as a result, your expenditures may benefit other Hungry Howie's Units. The Local Marketing Funds do not make decisions regarding the expenditure of advertising funds in Florida.

In 2022, of the money spent by Marketing Fund I, 4.48% was spent on production, including commercial production, design, account management, copywriting and planning and research; 95.50% was spent on media placement, including television, radio, e-mail, print and postage, internet, sponsorships and billboards; and 0.02% was spent on administrative expenses. In 2022, of the money spent by Marketing Fund II, .94% was spent on production, including commercial production, design, account management, copywriting and planning and research; 99.02% was spent on media placement, including television, radio, e-mail, print and postage, internet, sponsorships and billboards, and 0.04% was spent on administrative expenses.

Certain vendors may contribute money for advertising. There is no requirement or assurance that such vendors will continue to contribute money for advertising. Hungry Howie's may direct amounts contributed by vendors and designated for advertising to the Marketing Funds.

Marketing Funds: Administration

We are permitted to establish various funds to manage the fees that we collect from you, as described above (for purposes of this discussion, the "Marketing Funds"). Subject to certain limitations in the Franchise Agreement, we may administer, manage, operate, form, change, dissolve, replace, or merge any Marketing Fund at our sole discretion, and change the operating agreement, articles, or bylaws of any entity that administers any Marketing Fund. We will decide how the Marketing Funds will be established, under what type of entity, and how the Marketing Funds will be structured and operate. Your contributions to any of the Marketing Funds may be combined with contributions made by other franchisees to conduct National Marketing or Local Marketing.

Restaurants owned by or under the control of the officers of Hungry Howie's and owned by Properties, GP Pizza, JFS, Perry Pizza, or Shelby Pizza pay into the National Marketing Fund and Local Marketing Fund. These may differ from the rates that you pay.

Unless specifically provided elsewhere, we shall have sole discretion over the creative concepts, materials, media, placement and allocation resources and funds used by the Marketing Funds.

We shall try to spend the monies in the Marketing Funds during the fiscal year in which the contributions are made as we deem best. However, we may retain a reasonable reserve for future Marketing, repayment of debt and other reasonable business needs in the next fiscal year(s).

Although the Marketing Funds are intended to be of perpetual duration, we retain the right to: (i) terminate or replace any of the Marketing Funds at any time; (ii) direct the monies in any of the Marketing Funds to another entity, provided that the monies are used for Marketing; (iii) terminate the Marketing Funds or name another designee to administer or operate the Marketing Funds; (iv) change the operating agreement, articles or bylaws of the entity that administers the Marketing Funds; or (v) change or alter the entity that administers the Marketing Funds. We may only terminate the Marketing Funds if: (i) all funds in the Marketing Funds have been expended for Marketing; (ii) any unused portion of funds held by the Marketing Funds is transferred to another designee; or (iii) the unused portion of funds held by the Marketing Funds is refunded to the then-existing franchisees on a pro rata basis based on a reasonable estimate of their contributions as a percentage of total contributions during the preceding full 12-month period (Franchise Agreement, Paragraph 12.3).

We are not required to provide audited financial statements for the Marketing Funds or any cooperatives that we establish. However, within 120 days after the end of each fiscal year, upon your request we will provide an annual financial statement indicating the general use and expenditure from the Marketing Fund for each fiscal year. We will provide you with a copy of the Bylaws of the Ad Fund or the National Marketing Fund upon request.

You will only receive an accounting of how advertising funds are raised and spent if you request the same from the Ad Fund or the National Marketing Fund. Requests may be sent to Hungry Howie's Advertising Fund, at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071.

Marketing Funds may be used for the sale of Hungry Howie's franchises, provided that such use is incidental. No portion of the Marketing Funds is used for advertising that is principally solicitation for the sale of franchises.

We may expend or allocate up to 20% of the Marketing Fee contributions on an annual basis for reasonable salaries, administrative costs and overhead, if any, as we may incur in connection with administration or operation of the Marketing Funds. This 20% does not include the cost of employing independent contractors or agencies to administer, create, distribute, place, publish or otherwise provide products or services to the Marketing Funds. The Marketing Funds may borrow money and pay interest or establish credit from us or other entities. Payments of interest may be paid by the Marketing Funds. We may receive money from the Marketing Funds for goods and services provided to the Marketing Funds.

Marketing Materials: Use and Approval

Radio, television, direct mail, newspapers and the Internet are all used to advertise our products. Advertising may be national, regional or local in scope.

We use outside advertising agencies and have an in-house marketing department for creative development and execution.

All Marketing materials (including coupons) must be produced using our visual asset library. If we do not maintain a visual asset library, then any materials that you use for Marketing must meet our System standards (as described in the Manual) and are subject to our prior written approval.

You must submit proposed Marketing materials for our approval prior to their production, distribution or use. If we fail to object within 10 days after receiving the materials, then the materials are approved. If we object to the Marketing materials, you will make changes as reasonably prescribed by us. Although we may have approved Marketing materials in the past, this does not mean that future or different Marketing Materials are approved. We can revoke any previous approval or object to the use of any Marketing materials by you at any time, even if we

previously approved such Marketing materials. You are not permitted to use or must discontinue the use of Marketing materials that we revoked or object to immediately after we provide you written notice.

You must obtain our prior written consent to use, register, maintain, or sponsor any Social Media.

Marketing Cooperatives

We have the right, but not the obligation, to designate any geographical area for purposes of establishing regional or local cooperatives and to determine whether a cooperative is applicable to the Restaurant. If we establish a cooperative you must be a member of and participate in the cooperative in accordance with the rules governing the cooperative that we may establish from time to time. We may direct that all or a portion of your Marketing Fee be deposited into the cooperative. No additional payment will be required by you to fund the cooperative. Each cooperative will be organized for the purpose of administering Local Marketing Funds and conducting Marketing for members of the cooperative. It is our intention to define cooperative areas and whether a cooperative is applicable to the Restaurant by designated market area (“DMA”), but we reserve the right to define it in a different manner. No franchisee is currently required to participate in a local or regional advertising cooperative.

Computer System or Technology Requirements

You will purchase, lease, license and/or use, at your cost, Technology Systems as designated by us in the Manual, including a POS System. “Technology System(s)” shall mean any POS System, Gift Card Program, or other Electronic system, device, product or service, including computers, equipment, hardware, software, cloud-based services, software-as-a-service, communication devices, tablets, internet service providers and connections, online, text or voice ordering systems or services including call centers (which permits customers to place, track or pay for orders using the Internet or other Electronic media), customer satisfaction and payment processing systems, as may be described in the Manual. Should you become aware of any flaw, fault or error in the programming, operation or functionality of any Technology System, you shall promptly notify us of such flaw, fault or error (Franchise Agreement, Paragraph 9.1).

“Electronic” means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

“POS System” means an Electronic point of sale system, whether physically located at the Restaurant or in a virtual location, which may consist of one or more computer systems, hardware, software, cloud-based services, software-as-a-service, dedicated telephone, power and data lines, modems, high speed Internet access (or alternative communications line designated by, or permitted by us), cables, printers and other computer-related accessories and peripheral equipment and which may provide point of sale information, customer databases and customer retention services and perform accounting, marketing, and inventory functions as specified by us in accordance with the Manual.

We may require that Technology Systems are purchased, leased or licensed from Designated Suppliers as described in the Manual, unless we permit otherwise in writing, in our sole discretion. If we name Designated Suppliers, alternate suppliers will not be permitted (Franchise Agreement, Paragraph 9 and Disclosure Document, Item 8). We may require that any Technology System is initially programmed and, from time to time, reprogrammed only by us or Designated Suppliers (Franchise Agreement, Paragraph 9.1).

You shall acquire ongoing technical support, hardware or software subscription agreements, maintenance or service contracts and software upgrades and updates as specified in the Manual

for any Technology System (Franchise Agreement, Paragraph 9.2). You may be required to enter into and abide by hardware or software licensing, subscription, maintenance, or similar agreements with a Designated Supplier or third-party vendor in connection with hardware, software or cloud-based services for any Technology System (Franchise Agreement, Paragraph 9.3).

We have the right to periodically establish, in writing, new standards, specifications and components of any Technology System to address new technologies and to implement those changes into the System. You shall abide by any new standards established by us and you shall pay all fees associated with such new standards. Such new standards, specifications, and components of any Technology System due to technological developments or events may require you to purchase, lease, license or subscribe to new or modified Technology Systems or to obtain service and support for any Technology System. (Franchise Agreement, Paragraph 9.8).

You shall, at your own expense, purchase, lease, license or subscribe to the following Technology Systems which shall:

(a) **COLLECTION OF SALES INFORMATION:** Accurately, consistently and completely capture and record all Gross Sales and related information and data of the Restaurant. Such Technology System is currently the POS System. You shall take all necessary action to backup all records of Gross Sales or other data and information on such Technology System at least once every 30 days or as we may otherwise designate in the Manual. We may also require you to furnish certain records or data in hard copy or Electronic files (Franchise Agreement, Paragraph 9.1(a)).

Currently, we require you to purchase or lease and utilize an integrated POS System for such purposes, as specified by us in the Manual (Franchise Agreement, Paragraph 9.1(a)). Currently, only a HungerRush 360 5 Station System is approved for use. However, station count and configuration may be altered based on store size and setup, including such items as the availability of drive-thru service. We may approve other vendors in the future. See Disclosure Document, Item 7, Notes 5 and 6.

(b) **PAYMENT PROCESSING:** Permit the Restaurant to accept payment in the form of credit cards, debit cards and similar payment devices or services specified by us that enable purchases to be made with or without the physical exchange of currency. We may require that such Technology System integrate with the POS System and may involve integration with other Technology Systems; this may require you to obtain additional equipment or services. You shall, at your own expense, subscribe to any related payment processing services designated by us (Franchise Agreement, Paragraph 9.1(b)). The estimated cost of this Technology System is included within the cost of the POS System.

We currently have negotiated system-wide pricing for credit card merchant services fees with the Designated Supplier that provides our POS System. You may choose to use these merchant services credit card processing services at the system-wide negotiated rates or choose a compatible third-party merchant services credit card processor, provided you pay a merchant services gateway fee, currently \$49 per month. This price may be subject to change.

You are required, at your own time and expense, to continually meet the most current PCI DSS (defined in Item 8) and provide documented proof of compliance as outlined in the Manual. We may require you to use a Designated Supplier to provide such services (Franchise Agreement, Paragraph 9.7). The estimated cost of this Technology System is \$75 per month.

(c) **INTERNET:** Obtain internet services for the Restaurant, which may include secure voice and data lines, in accordance with the Manual. We may require that such Technology System integrate with the POS System and may involve integration with other Technology Systems; this may require you to obtain additional equipment or services (Franchise Agreement, Paragraph 9.1(c)). The estimated cost of this Technology System is \$70-\$200 per month.

(d) **ALTERNATIVE ORDERING:** Allows the Restaurant to accept orders from customers, without the need to call the Restaurant directly, using a Technology System. We may require that such Technology System integrates with the POS System and may involve integration with other Technology Systems; this may require you to obtain additional equipment or services (Franchise Agreement, Paragraph 9.1(d)). The estimated cost for this Technology System is a \$0.50 per transaction fee associated with customer use of these services.

(e) **COMMUNICATIONS:** Allow you to maintain a designated email address and Electronic device with internet access which will allow you to access communications from us to you (Franchise Agreement, Paragraph 9.6). The estimated cost of this Technology System is \$0 to \$2,200, plus any applicable monthly cellular or internet service fees, if applicable. No special equipment is necessary to access your designated email address. The above estimated costs range from free access at a public portal to the purchase of an Electronic device ranging from a smartphone to a computer.

(f) **ACCESS HOME:** Allow you to access HOME via an Electronic device.

You are required, at your own expense, to purchase or lease an Electronic device through which you access HOME. (Franchise Agreement, Paragraph 9.4 and Disclosure Document, Item 8). HOME is accessible either through a computer, tablet or mobile phone with internet access. We may require you to purchase such Electronic device as designated by us in the Manual. The estimated cost of this Technology System is included within the cost of the Electronic device needed for communications (see above).

Currently, we do not collect a Technology Fee. We reserve the right to collect the Technology Fee in the future upon providing 90 days written notice to you. If instituted, based on your Gross Sales, you will be required to pay a Technology Fee of 0.25%. The fee would be subject to minimum amounts for each Reporting Period (Disclosure Document, Item 6). If instituted, you shall pay the Technology Fee to us as we direct. We may determine how to use Technology Fees we receive, including but not limited to providing the System with general assistance and guidance on Technology Systems, technology-related matters, researching and developing new technologies such as hardware, software and cloud-based services, network maintenance and upgrading, website internet/intranet capabilities (such as HOME) and internal and external data storage and archiving. Whether or not we collect the Technology Fee from you, you must acquire at your expense, in compliance with the Franchise Agreement (as described in Item 11), technology-related products or services including Technology Systems from one or more Designated Suppliers. The Technology Fee does not cover the amounts you must spend on Technology Systems, which are in addition to the Technology Fee. If instituted, we shall have complete discretion as to the use and allocation of the amounts collected from Technology Fee payments, which may be used for payment of salaries, wages and benefits, direct program costs and/or overhead expenses related to the above-described activities. With respect to the collection, use or expenditure of the Technology Fee, we have no obligation to: (i) do so from you or any other franchisee; (ii) ensure equivalent or proportionate collection, use or expenditures; (iii) ensure that you or the Restaurant benefits directly, pro rata or at all from the Technology Fee; or (iv) provide an accounting to you or any franchisee. (Franchise Agreement, Paragraph 9.10).

Upgrades and Updates to Technology Systems

You must upgrade the POS System or other Technology System as designated by us. We may require you to replace the POS System or other Technology System every 4 years (Franchise Agreement, Paragraphs 3.11 and 9.8). We will require you to update or replace software or cloud-based services used by the POS System or other Technology System as directed by us, which may be on a more frequent basis than every 4 years. You shall make or, at our direction, permit us or a Designated Supplier to make, any programming changes or updates required from time to time by us. Such programming changes or updates may be made by us or a Designated Supplier either physically in the Restaurant or remotely by Electronic means. You shall fully cooperate to ensure that such programming changes or updates are accomplished and are not altered (Franchise Agreement, Paragraph 9.8). Although we cannot estimate the future costs of any Technology System or required service or support, you must incur the costs of obtaining the such Technology System (and additions and modifications) and required service or support. Within 90 days after we deliver notice to you, you must obtain Technology System components we designate and ensure that your Technology System, as modified, is functioning properly (Franchise Agreement, Paragraph 9.8).

Our Access to Technology Systems

We will have independent access to all information in your POS or other Technology System except for matters related to Employment Practices (defined in Item 8).

You will give us free and unfettered access and the right to retrieve any data or information directly from any Technology Systems as we deem necessary, desirable or appropriate. We may retrieve such data or information Electronically and manually. Such data or information may include Electronically polling the daily sales, menu mix, carry-out, delivery, catering or online ordering mix and other data or information of the Restaurant. Notwithstanding the above, you shall not be required to provide us with any data or information related to Employment Practices as part of our ordinary business practices, as you control exclusively your Employment Practices. (defined in Item 8; Franchise Agreement, Paragraph 9.5).

Upon request, you shall furnish us with all information regarding the customer database or records of the Restaurant, whether maintained in hard copy or electronically, in the form and manner designated by us in the Manual (Franchise Agreement, Paragraph 9.5).

You will provide any assistance, equipment, software and programming required to bring and maintain the Technology Systems and the Restaurant online with any system that we designate for the Electronic transfer of data required by us via high speed internet connection or the fastest data exchanger available within the designated market. You shall pay the telephonic or other data transmission costs of such retrieval. We may also require you to furnish certain data in hard copy or via an Electronic file transfer. While retrieving any data and information we shall take reasonable precautions to protect the security of the Technology Systems. We may retrieve the data and information at intervals and times we determine, and without any advance notice to you. All data and information provided to us, whether Electronically retrieved or otherwise received, will become our property and may be used by us in any manner we consider appropriate. (Franchise Agreement, Paragraph 9.5).

Operating Manuals

The Manual has a total of 310 pages and is broken into six sections, as follows:

	Number of Pages
Introduction	6
Administration	72

Site Selection & Construction	17
Marketing	60
Technology	23
Operational Procedures	119
Emergency Response Plan	13

Training Programs

Operator Training Program

Subject	Hours of Classroom Training	Location	Hours of On-The-Job Training	Location
Department Meetings and Classroom Training	-0-	Remotely via an Electronic-based communication platform	-0-	-
Self-Guided Online Training	16	Remotely via an Electronic-based communication platform	-0-	-
In-Store Training	-0-	-	151	Metropolitan Detroit Area, MI

There is an Operator Training Program. “Operator Training Program” means training that (a) is required by Hungry Howie’s, (b) is designed and intended to protect and maintain the System and the Marks, and (c) the Operator must successfully complete prior to the opening of the Restaurant or as otherwise required by this Agreement. Such training may include, without limitation, providing instruction on standards, specifications and techniques for product preparation, handling, packaging, delivery, marketing, business development, sales and customer service, financial and inventory management and general operations. This training may also consist of completing production and delivery tasks and may require the Operator to demonstrate sufficient proficiency and knowledge so as to be able to instruct your employees. The Operator must also demonstrate that he has learned and retained such information. Although this training may include information relating to your or the Restaurant’s employees, such information is provided for information purposes only, as you exclusively control Employment Practices of your or the Restaurant’s employees (Franchise Agreement, Paragraph 1.82).

The 4-week Operator Training Program is conducted approximately nine times a year. Our Operator Training Program is mandatory for the Operator. The “Operator” is an individual you identify who is vested with sufficient decision-making authority to make decisions on your behalf that are essential to the Restaurant’s effective and efficient operation on a day-to-day basis and shall be personally involved in the regular conduct, management and operation of the Restaurant on a regular, frequent, and ongoing basis. (Franchise Agreement, Paragraph 1.81).

Prior to opening the Restaurant to the public and before receiving approval from us to open the Restaurant to the public, the Operator must complete all aspects of our then-current Operator Training Program (including our requirements for attendance and punctuality) (Franchise Agreement, Paragraph 3.7). You remain solely responsible to train the Operator consistent with Paragraph 10.8 [Employee Relations] and you shall be responsible for Employment Practices. If the Operator fails to successfully complete our then-current Operator Training Program to our reasonable satisfaction, we may, at our discretion, require you to name a new Operator and, at your sole cost and expense, require the new Operator to successfully complete our then-current Operator Training Program to our reasonable satisfaction or we may terminate this Agreement in accordance with Paragraph 18. (Franchise Agreement, Paragraph 3.7). At the end of each phase of the Operator Training Program, the Operator may be required to demonstrate proficiency in the areas covered by each phase of the Operator Training Program. We may at our discretion, reduce, eliminate, or increase the training period or classes of the Operator Training Program based on the extent to which the Operator is able to exhibit skills or knowledge that meet our requirements (Franchise Agreement, Paragraph 3.7). (Franchise Agreement, Paragraph 3.7).

Without our prior consent and payment of the Training Fee, only the Operator may attend the Operator Training Program or any Continuing Training Program required of the Operator (Franchise Agreement, Paragraph 3.7 and 3.9). The Operator Training Program will be conducted at location(s) and time(s) as designated by us. The Operator Training Program may contain classroom and/or on-the-job training at an operating Hungry Howie’s Restaurant selected by us. Other than the cost of the training instructor, instruction facilities and training materials, you will pay all expenses incurred by the Operator or any of your employees attending the Operator Training Program, including wages, travel, meals and lodging. The training instructor may vary and/or change (Franchise Agreement, Paragraph 3.7).

Designated Franchisee Training Program

Subject	Hours of Classroom Training	Location	Hours of On-The-Job Training	Location
Department Meetings and Classroom Training	18	Remotely via an Electronic-based communication platform	-0-	-
Self-Guided Online Training	16	Remotely via an Electronic-based communication platform	-0-	-
In-Store Training	-0-	-	49	Metropolitan Detroit Area, MI

There is a Designated Franchisee Training Program. Designated Franchisee Training Program” shall mean training that (a) is required by Hungry Howie’s, (b) is designed and intended to protect and maintain the System and the Marks, and (c) the Designated Franchisee must successfully complete prior to the opening of the Restaurant or as otherwise required by this Agreement. Such

training may include providing instruction on standards, specifications and techniques for product preparation, handling, packaging, delivery, marketing, business development, sales, customer service, financial and inventory management and general operations. This training may also consist of completing production and delivery tasks and may require the Designated Franchisee to demonstrate sufficient proficiency and knowledge so as to be able to instruct your employees. The Designated Franchisee must also demonstrate that he has learned and retained such information. Although this training may include information relating to your or the Restaurant's employees, such information is provided for information purposes only, as you exclusively control Employment Practices of your or the Restaurant's employees. (Franchise Agreement, Paragraph 1.24).

The 2-week Designated Franchisee Training Program is conducted approximately nine times a year. Our Designated Franchisee Training Program is mandatory for the Designated Franchisee. The "Designated Franchisee" means a person who (a) has at least 15% of Ownership Interest, (b) has oversight over the general conduct of your business, including Employment Practices and maintaining and operating the Restaurant in compliance with Paragraph 3.13, (c) is solely responsible for communicating with us (or our affiliates or a Designated Supplier) in accordance with Paragraph 10.2, and (d) is designated by you to be the individual to which we may provide notices to you and any Guarantors pursuant to Paragraph 21 (Franchise Agreement, Paragraph 1.23). Prior to opening the Restaurant to the public and before receiving approval from us to open the Restaurant to the public, the Designated Franchisee must complete all aspects of our then-current Designated Franchisee Training Program (including our requirements for attendance and punctuality) (Franchise Agreement, Paragraph 3.8). If the Designated Franchisee fails to successfully complete our Designated Franchisee Training Program to our satisfaction, we may terminate the Agreement in accordance with Paragraph 18 (Franchise Agreement, Paragraph 3.8). At the end of each phase of the training program, the Designated Franchisee may be required to demonstrate proficiency in the areas covered by each phase of the Designated Franchisee Training Program. We may at our discretion, reduce, eliminate, or increase the training period or classes of the Designated Franchisee Training Program based on the extent to which the Designated Franchisee is able to exhibit skills or knowledge that meet our requirements (Franchise Agreement, Paragraph 3.8).

Without our prior consent, only the Designated Franchisee may attend the Designated Franchisee Training Program or any Continuing Training Program required of the Designated Franchisee (Franchise Agreement, Paragraphs 3.8 and 3.9).

The Designated Franchisee Training Program will be conducted at location(s) and time(s) as designated by us. The Designated Franchisee Training Program may contain classroom and/or on-the-job training at an operating Hungry Howie's Restaurant selected by us. Other than the cost of the training instructor, instruction facilities and training materials, you will pay all expenses incurred by the Designated Franchisee or any of your employees attending the Designated Franchisee Training Program, including wages, travel, meals and lodging. The training instructor may vary and/or change (Franchise Agreement, Paragraph 3.8).

We maintain a formal training staff. Training is provided under the direction of Alan Newman, who is the Director of Training. Mr. Newman has 45 years of experience in the pizza business and he has been employed by us or an affiliate of ours for 29 years. Kurtis Gawne, the franchise trainer, has 9 years of experience in the pizza business and he has been employed by us or an affiliate of ours for 8 years. Other employees of Hungry Howie's also participate in the training program. All instructors have a minimum of 5 years of experience managing, operating and training in a Hungry Howie's restaurant.

We may provide additional assistance for a period of approximately 1 to 2 weeks after the Restaurant opens for business to the public. In order to protect and maintain the goodwill of the Marks and the System, we may visit the Restaurant on a random basis as frequently as we feel it is

necessary to ensure that you and your employees are exhibiting the skills and knowledge required to operate the Restaurant in accordance with the System (Franchise Agreement, Paragraph 3.7).

We may periodically require the attendance or participation of the Operator and/or Designated Franchisee at a Continuing Training Program that has been designated for such person. We shall provide you with reasonable prior notice of any mandatory Continuing Training Program. Continuing Training Programs will be at such locations and for such durations as we deem appropriate within the continental United States. Other than the cost of the training instructor, instruction facilities and training materials, you will pay all expenses incurred by you, the Operator, the Designated Franchisee or any of your employees attending the Continuing Training Program, including wages, travel, meals and lodging. (Franchise Agreement, Paragraph 3.9).

At our discretion, we may make changes or modifications to the Operator Training Program, Designated Franchisee Training Program, or Continuing Training Program without notice to you. We make no representations or warranty that upon your completion of the Initial Training Program, Designated Franchisee Training Program, or any Continuing Training Program you will be adequately trained to operate the Restaurant or that you will be successful in the operation or any aspect of the Restaurant (Franchise Agreement, Paragraphs 3.7-3.9).

Item 12: Territory

The general area in which the Restaurant will be located will be specified on Attachment A to the Franchise Agreement. The general area may be a city or an area bounded by streets or roads. You will select the specific location of your Restaurant within the area on Attachment A. The specific location must be approved by us. Our approval cannot be unreasonably withheld. We will not operate Company owned outlets or grant franchises for a Hungry Howie's restaurant having its physical location within the exclusive territory. The exclusive territory shall be within a one mile radius of your Restaurant unless within such mile there is a population density of 25,000 or more people or a commuter-adjusted daytime population density of 25,000 or more people, as based on the most current United States census. In such case, the territory may be reduced based on a case-by-case basis through negotiations of the parties and which will be in writing as an addendum to this Agreement (the "Territory") (Franchise Agreement, Paragraphs 1.77 and 3.16).

Other Hungry Howie's franchisees may make deliveries into your Territory. You are not prohibited from delivering into the Territory of any other Hungry Howie's franchisee. There are no restrictions on you or any franchisee from soliciting or accepting orders from consumers in the Territory of any franchisee, including through the use of other channels of distribution, such as the Internet, telemarketing or other direct marketing. Hungry Howie's reserves the exclusive right to solicit and accept orders from consumers in and outside of your Territory through channels of distribution other than a Hungry Howie's Unit, including the use of other channels of distribution, such as the Internet, telemarketing or other direct marketing. You will not be permitted to offer delivery service to any customer located outside of your Territory if deliveries cannot be made within a reasonable period of time or if you are unable to maintain the quality of the product delivered in accordance with the System. What constitutes a "reasonable period of time" means the time limits we determine, from time to time, as designated in the Manuals. You will compete with other Hungry Howie's restaurants which are now, or which may in the future be, located near or adjacent to the Territory (Franchise Agreement, Paragraph 3.16(a)). We will not pay you any compensation for soliciting or accepting orders in your Territory.

The Marketing Funds or any advertising cooperative shall be permitted to advertise multiple locations using the same or single media. This includes printed materials or Internet media on which more than one Hungry Howie's restaurant and the Restaurant, including telephone numbers and

addresses, may be listed. Overlapping into the Territory may also occur during the conduct of direct mail, Internet, electronic or other mass media campaigns (Franchise Agreement, Paragraph 3.16(b)).

The location of a Non-Traditional Restaurant will be specified in the Non-Traditional Restaurant Addendum. The location must be approved by us. Unless agreed to in writing by us, a Non-Traditional Restaurant shall not offer delivery service, and such Non-Traditional Restaurant does not have any territorial protection. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control (Franchise Agreement, Paragraph 2).

Under the ADMUA, all Restaurants must be located in the exclusive geographic area specified on Exhibit A Part 2 of the ADMUA (the "Development Area"). The Development Area may be a city, all or part of a county or parish, more than one county or parish, or an area designated by specified boundaries such as roads. While the ADMUA is in effect and the franchisee is not in default of the terms of the ADMUA, we will not establish or franchise Restaurants having their physical locations within the Development Area. Aside from the restrictions listed in the previous sentence, the ADMUA does not impose any other restrictions on our activities within the Development Area (ADMUA, Paragraph 1.3). If the franchisee defaults under the ADMUA (which includes but isn't limited to failing to meet the Development Schedule) or when the ADMUA expires, we may franchise or establish Restaurants having their physical locations within the Development Area (ADMUA, Paragraph 1.2). The continuation of the Development Area depends upon your satisfying your Restaurant development obligations but does not otherwise depend on your achieving a certain sales volume, market penetration, or other contingency.

You shall not relocate the Restaurant without our prior written consent and approval, which shall not be unreasonably withheld. If you desire to relocate your Restaurant you shall provide us with notice of your desire as soon as reasonably possible. Additionally, you will provide us with a proposed location along with such information regarding the proposed location as we may reasonably request. At the time you request to relocate the Restaurant, you shall pay the Relocation Fee to us. We will provide location selection assistance as described and subject to the terms and conditions of the Franchise Agreement. Any proposed location is subject to the terms of the Franchise Agreement, along with completion of the Upgrades or our policy for relocation of a Restaurant as provided in the Manual. You may also be subject to the Re-Inspection Fee (Franchise Agreement, Paragraphs 3.14 and 3.6).

Any failure to consent or approve a proposed location shall not be deemed unreasonable if: (i) we determine the proposed location is closer to another Hungry Howie's Restaurant (regardless of whether the proposed location is within the geographic area described on Attachment A of the Franchise Agreement or the Territory) than the current Restaurant; (ii) there is a determination that customers or sales from an existing or proposed Hungry Howie's Restaurant will be negatively impacted by the proposed location; or (iii) other criteria or factors that we would consider for the proposed location are not satisfied. In no case shall we be required to consent and approve a proposed location outside the geographic area described on Attachment A of the Franchise Agreement or within the Territory of another franchisee (Franchise Agreement, Paragraph 3.14).

We reserve the right to purchase, merge, acquire, be acquired by, or affiliate with any existing competitive business and, following such activity, without compensation to you, Hungry Howie's may operate or franchise those other businesses under any names or marks regardless of the location of those businesses which may be within the Territory. We reserve to ourselves, without compensation to you, the right to establish other franchise or company owned restaurants with similar or different products or services using different marks within the Territory. You waive and release any claims, demands, or damages arising from or relating to any of the above activities and shall not initiate or join in any legal action or proceeding or register a complaint with any

governmental entity directly or indirectly contending otherwise (Franchise Agreement, Paragraph 3.16(d)).

Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, to use the Marks or to establish, operate, and franchise Non-Traditional Restaurants in the Territory (Franchise Agreement, Paragraph 3.16(e)).

Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, to solicit or accept orders from consumers, through channels of distribution other than a Hungry Howie's Restaurant, including use of the Internet, "online ordering", mobile applications, telemarketing or other direct marketing channels (Franchise Agreement, Paragraph 3.16(f)).

Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, to directly or indirectly, sell and distribute, and license others to sell and distribute, prepackaged menu items under the Marks to retail outlets (*i.e.* supermarkets, grocery stores, markets, gourmet shops, convenience stores, and other similar retailers) and non-retail outlets (*i.e.*, warehouse clubs, pharmacies, drug stores, and other similar non-retailers) (Franchise Agreement, Paragraph 3.16(g)).

Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, to distribute or sell (including marketing and advertising) products bearing our Marks through non restaurant distribution channels (which may be the same or similar products or services sold by you), including the internet, mobile applications, electronic mail, direct mail, supermarkets and grocery stores, discounters, convenience stores, vending machines (Franchise Agreement, Paragraph 3.16(h)).

Neither we nor our affiliates have established other franchises, company owned outlets or other channels of distribution selling Hungry Howie's Menu Items or similar products under a different trademark. There is, however, nothing which prevents us or our affiliates from doing so.

You do not have the right to acquire additional franchises within your Territory unless you enter into an ADMUA.

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

There are no circumstances which would permit us to alter, modify or eliminate your Territory.

Item 13: Trademarks

The principal Hungry Howie's commercial symbol which we will license to you appears on the cover of this disclosure document.

As used in this Disclosure Document and the Franchise Agreement, the term "Trademarks" or "Marks" includes all of our trade names, service marks, trademarks, logos and commercial symbols and also includes our copyrighted materials and other intellectual property. The principal Trademarks include those that you will use to identify your Restaurant.

The following is a description of the Trademarks which we will license to you:

Registration Number	Description of Mark	Principal or Supplemental Register of the United States Patent and Trademark Office	Registration Date
1,478,125	"Hungry Howie's"	Principal	February 23, 1988
2,275,180	"Flavored Crust"	Principal	September 7, 1999
3,900,799		Principal	January 4, 2011
3,916,530		Principal	February 8, 2011
4124868	LOVE, HOPE & PIZZA	Principal	April 10, 2012

We have filed all required Trademark registrations, fees, affidavits and maintenance documents as the same have become due.

There are currently no effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation, or any pending material litigation involving our Trademarks.

We do not know of any infringing uses that could materially affect your use of the Trademarks.

No agreements significantly limit our right to use or license the use of the Trademarks.

We use several variations of the principal Trademarks described above. You will be informed of the particular Trademarks which you must use in connection with your Restaurant. The specific Trademarks which you are required to use are subject to periodic revision by us.

We have the right to acquire, adopt, develop or designate the use of the Trademarks.

Hungry Howie's and its licensees have the right to use the Marks. The Marks are licensed to you by us and you shall use the Marks only in the manner and to the extent specifically permitted by the Franchise Agreement. You do not acquire any ownership interest in the Marks as a result of the Franchise Agreement, as a result of our use of the Marks, or as a result of your use of the Marks. Any use by you of the Marks inures to the benefit of Hungry Howie's. We reserve the right to modify or discontinue use of any of the Marks or use one or more additional or substitute names or marks, if in our sole discretion it becomes advisable to do so. The System is identified by use of the Marks as currently designated, or as may be designated by us in the future.

During and after the Term you shall not directly or indirectly contest or aid in contesting the validity or ownership of the Marks.

You shall promptly notify us of any claim, demand or suit against you, based upon or arising from the use or attempted use of any of the Marks and or any variation of the Marks by any other person or entity.

You shall promptly advise us of any unauthorized use of the Marks by third parties of which you become aware. We have the sole right, but no obligation, to take whatever action we may deem appropriate, in our sole discretion.

We shall defend you against any claim, demand or suit brought against you concerning the Marks, provided you use the Marks in accordance with the terms and conditions of the Franchise Agreement. However, we shall have the exclusive right and sole discretion regarding actions to be taken in response to such claims, including but not limited to decisions whether to defend against or prosecute any lawsuits. We will control any proceeding or litigation.

In no event shall you use, cause to be used or attempt to use the words "HUNGRY HOWIE'S", "HUNGRY", "HOWIE'S", or the initials "H.H.", as part of or as your business name, or as an assumed name unless it is in the form that we shall prescribe from time to time, or as part of a domain name, homepage, electronic address or otherwise in connection with a website, without our express written authority. You may file an assumed name certificate in the state in which you do business that identifies the entity by store number. You shall not use the Marks in any public advertisements offering the Restaurant, the Restaurant Assets or any Ownership Interest for sale.

You shall not purchase or acquire any property or incur any obligation or indebtedness under the name of "HUNGRY HOWIE'S" or any name other than your personal or approved business name.

Any new concept, trademark, service mark, copyright, process, improvement, slogan, or recipe developed in the operation of the Restaurant will become our property and we may utilize this information as we deem appropriate without compensation to you, including but not limited to disclosing it to other franchisees, filing for any trademark or service mark, or copyright registration in our name alone. If you develop any new concept, trademark, service mark, copyright, process, improvement, slogan, or recipe in the operation of the Restaurant, you will promptly notify us and provide us with all reasonable documentation and information without compensation as we may require.

Item 14: Patents, Copyrights and Proprietary Information

We have no patents and no pending patent applications which are material to the franchise.

Our Manual was registered in the United States Copyright Office on December 21, 1987. The duration of the copyright is 75 years. The copyright registration number is TXU 307 853. We intend to renew this copyright. The Table of Contents of the Manual is included in Item 11.

Our right to use the Manual is not materially limited by any agreement or known infringing use. You must tell us immediately if you learn about an infringement or challenge to our use of the Manual. We will take the action that we deem appropriate. You must also not contest our interest in the Manual.

There are no effective determinations of the United States Copyright Office or any court or any pending material litigation regarding our copyright or the Manual.

We have proprietary rights to the Manual. The Manual remains our property and is to be returned to us upon termination of the Franchise Agreement.

There are no agreements currently in effect which significantly limit our rights to use or license the use of the copyright for the Manual in a manner material to the franchise.

We have no obligation to protect your right to use the Manual nor does Hungry Howie's have any obligation to protect you against or prosecute claims on your behalf arising out of claims of infringement or unfair competition arising out of the use of the Manual by or third parties.

Hungry Howie's does not know of either superior prior rights or infringing uses that could materially affect your use of the Manual in any state.

We have proprietary rights to materials containing our confidential information, some of which constitutes trade secrets under applicable law. Such confidential information includes information consisting of knowledge or know-how concerning the Hungry Howie's System, including the Manual, methods of operation, future marketing and advertising materials and strategies, development and growth strategies, trade secrets, sales figures, accounting materials, customers of Hungry Howie's, or Hungry Howie's franchisees, all of which Hungry Howie's has developed and assembled at great effort and expense, and which information is not public knowledge but which is confidential, proprietary business information of Hungry Howie's. You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent improper disclosure of our confidential information to others.

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

You are required to name and maintain a Designated Franchisee (see Item 11, Franchise Agreement, Paragraph 1.23) at all times. The Designated Franchisee shall not be changed without our prior written consent. The Designated Franchisee shall be solely responsible for communicating with us directly (or our affiliates or a Designated Supplier) any matters relating to the Franchise Agreement, including required notices, defaults, modifications and amendments. Decisions or actions taken by the Designated Franchisee shall be final and binding on you and we may rely solely on such decisions pertaining to any matters relating to the Franchise Agreement without discussing the matter with you or any other party. We will not be liable for any decisions or actions we take based on the Designated Franchisee's decisions or actions. The Designated Franchisee shall not be changed without the prior written consent of Hungry Howie's.

You are required to name and maintain an Operator (see Item 11; Franchise Agreement, Paragraph 1.81) at all times. The Operator shall not be changed without our prior written consent. The Operator shall be responsible for and diligently devote his best efforts to the operation of the Restaurant. Decisions or actions of the Operator in the conduct, management, or operation of the Restaurant shall be considered to be actions taken by you and we may rely solely on such actions in matters relating to the operation of the Restaurant without discussing the matter with you or any other party, and we will not be liable for any decisions or actions we take based on the Operator's decisions or actions. (Franchise Agreement, Paragraph 10.3).

To meet certain minimal requirements that allow us to communicate the System, the Designated Franchisee and Operator must be fluent in the English language and able to adequately communicate (oral and written) with us, customers, employees, representatives of relevant government agencies and others. To ensure that the provisions of Paragraphs 15.3 [Confidential Information] and 16.1 [Covenants] are addressed, the Designated Franchisee or Operator may not give access to Hungry Howie's proprietary information or become involved in any business, consistent with Paragraphs 15.3 [Confidential Information] and 16 [Covenants]. (Franchise Agreement, Paragraph 10.3). You may have to provide us written proof that the Operator has agreed to abide by the terms of Paragraphs 15.3 [Confidential Information] and 16 [Covenants] for our benefit.

If the Operator is not or is unable to be personally involved in the regular conduct, management and operation of the Restaurant on a frequent and ongoing basis for more than 14 consecutive days, you shall notify us in writing within 7 days of your knowledge of this information or the end of the 14 consecutive days, whichever shall first occur. Such notification shall include the name of another individual you propose as a replacement to the Operator. You shall, upon our request, promptly provide us with any additional information we may reasonably request with respect to the qualifications of the proposed replacement Operator that are consistent with those qualifications outlined in the paragraph above. If you have provided the additional information we requested, then, provided the replacement Operator is fluent in the English language, able to adequately communicate (oral and written) with us, customers, employees, representatives of relevant government agencies and others, may not give access to Hungry Howie's proprietary information or become involved in any business, consistent with Paragraphs 15.3 [Confidential Information] and 16.1 [In-Term Covenant], and attends and successfully completes the next scheduled Operator Training Program and you have paid the Training Fee, the replacement Operator shall be permitted. If we do not approve, in writing, of the replacement Operator within 14 days after the date on which you propose a replacement Operator, we may, in our sole discretion, terminate the Franchise Agreement upon written notice to you in connection with Paragraph 18.5(u). You shall be responsible for the Operator's compensation, travel and living expenses during the Operator Training Program. The Designated Franchisee must serve as the interim Operator until an approved replacement Operator has successfully completed our then-current Operator Training Program. You are still responsible for the Employment Practices under Item 8.

While you are a Hungry Howie's franchisee, you may not become involved in any business engaged in the sale of pizza or give access to Hungry Howie's proprietary information to anyone in competition with Hungry Howie's or who is about to enter into any activity competitive with Hungry Howie's.

Each Owner, in cases where you are not an individual, must execute the Guaranty at the time the Franchise Agreement is signed. If there is a Transfer to a corporation, partnership or limited liability company, the individuals having an Ownership Interest in the Transferee must execute the Guaranty at the time the Transfer is consummated. Any individual who acquires an Ownership Interest in the franchisee after the Franchise Agreement is signed must execute the Guaranty at the time such Ownership Interest is acquired. Only Hungry Howie's may release a Guarantor from his/her obligations under the Guaranty.

No obligation is imposed under the ADMUA to personally participate in the operation of your Restaurant. Such obligation is contained in the Franchise Agreements which must be signed for each Restaurant under the ADMUA.

We recommend direct participation in the Restaurant.

Item 16: Restrictions on What the Franchisee May Sell

You are required to sell only Menu Items at the Restaurant and must sell all Menu Items at the Restaurant. We may from time to time at our discretion revise Menu Items, including adding, deleting or altering the Menu Items or any recipe, ingredients or method of preparation. You must revise the Menu Items you sell immediately upon written notice unless otherwise provided by us.

You are required to use the Packaging only in the sale and dispensing of Menu Items. "Packaging" shall mean only such containers, boxes, cartons, bags, napkins, spoons, forks, and knives as are permitted or required by the Hungry Howie's System. We may from time to time at our discretion revise the Packaging, including adding, deleting or altering the Packaging. You must revise the Packaging you use immediately upon written notice unless otherwise provided by us.

Menu Items and Packaging are designated in the Manual. The Manual can be changed by us at our discretion. There are no restrictions on our right to make changes to the Menu Items or the Packaging.

A Restaurant may not share its premises with any other business. You may not engage in co-branding.

There is no limitation upon the customers to whom you may sell Menu Items.

You will not be permitted to offer delivery service to any customer located outside of your Territory if deliveries cannot be made within a reasonable period or if you are unable to maintain the quality of the product delivered in accordance with the Hungry Howie's System.

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	Paragraph in Franchise Agreement	Summary
a. Length of the franchise term	Paragraph 4.1	10 years.
b. Renewal or extension of the term	Paragraph 4.3	If, among other things, you are in good standing, upon expiration of your original Franchise Agreement, you will have the right to renew your franchise for one additional 10-year term by signing the then-current franchise agreement. This means that we may require you to sign an agreement with terms and conditions that are materially different from those in your original Franchise Agreement.

Provision	Paragraph in Franchise Agreement	Summary
c. Requirements for franchisee to renew or extend	Paragraph 4.3	<p>You must give us written notice between 6 and 12 months before the expiration of the initial term (the "Term"). You must not be in default of any agreement with us, a Designated Supplier, or our affiliates or subsidiaries through the expiration of the Term. You must not have, on 3 or more occasions during the Term, been sent written notice by us that you are in default. You must provide satisfactory proof that you have obtained an extension or renewal of your Lease for the duration of the renewal term of your Franchise Agreement, or you obtain our consent and approval for relocation and relocate prior to expiration of the Term. You must obtain any licenses or approvals needed to operate the Restaurant from any governmental authority having jurisdiction over the Restaurant. If Upgrades are required and we inform you in writing of such Upgrades within 60 days after we receive the Renewal Notice and you inform us in writing that you agree to complete the Upgrades, you must complete the Upgrades at least 30 days prior to the expiration of the Term. You must execute a new Franchise Agreement. You must execute a general release of any and all past or current claims which you have against us or our affiliates, the respective shareholders, directors, officers, employees, and agents of each, including claims arising under federal, state, and local laws and regulations. You pay the Renewal Fee of \$1,000.</p> <p>You must not have committed a material breach during the Term.</p>
d. Termination by franchisee	Paragraph 18.1	Not Applicable.
e. Termination by franchisor without cause	None	Not Applicable.
f. Termination by franchisor with cause	Paragraph 18	We can terminate only if there is a Franchisee Default.

Provision	Paragraph in Franchise Agreement	Summary
g. "Cause" defined – curable defaults	Paragraphs 18.7 and 18.8	Failure to pay Royalty Fees or any other amounts due; failure to continuously operate the Restaurant; failure to maintain insurance; unauthorized use of service marks or trademarks, operation under any name other than Hungry Howie's or Hungry Howie's Pizza; purchase, lease or use of unauthorized goods or services; purchase, lease or use of goods or services from unauthorized suppliers; failure to furnish financial statements; failure to pay any supplier or vendor; failure to comply with laws material to the operation of the Restaurant; entry of a judgment which is not satisfied or indemnified against; default under other agreements with Hungry Howie's.
h. "Cause" defined – non-curable defaults	Paragraph 18.6	Material misrepresentation in connection with the acquisition of the franchise; conduct that reflects materially and unfavorably upon the operation or reputation of Hungry Howie's; a conviction, guilty plea or plea of no contest to a felony, or other criminal offense relevant to the operation of the franchise; conduct related to the Restaurant that may constitute an imminent danger to public health or safety; dissolution, merger or reorganization; insolvency or the commencement of bankruptcy or state insolvency; assignment of assets for the benefit of creditors, or the appointment of a receiver, trustee or similar person; subsequent default that is substantially the same as a previously cured default; 3 or more defaults; use or disclosure of confidential or proprietary information; violation of in-term or post-term covenants; unauthorized sale, transfer or assignment of Restaurant assets or Ownership Interests; default under other agreements with Hungry Howie's.
i. Franchisee's obligation on termination/non-renewal	Paragraph 18.13	Obligations include complete de-identification and complete payment of amounts due (also see r, below).
j. Assignment of contract by franchisor	Paragraph 17.6	We shall have the right to assign if the assignee shall expressly assume and agree to perform our obligations under the Franchise Agreements, and shall become solely responsible for all of our obligations under the Franchise Agreement.
k. "Transfer" by franchisee - defined	Glossary and Paragraph 17	Any sale, transfer or assignment of any restaurant assets or ownership interest.
l. Franchisor's approval of transfer by franchisee	Paragraph 17.2	We have the right to approve all transfers but approval will not be unreasonably withheld.

Provision	Paragraph in Franchise Agreement	Summary
m. Conditions for franchisor's approval of transfer	Paragraph 17.2	New franchisee qualifies; appropriate forms, including transfer forms, are executed; all amounts due are paid before the transfer; taxes are paid; you execute a general release; you execute a subordination agreement; the transfer fee is paid; the new franchisee completes our training program; the Restaurant is updated; the re-grand opening marketing deposit is paid; you are compliant; new franchisee signs the then-current form of franchise agreement (also see r, below).
n. Franchisor's right of first refusal to acquire franchisee's business	Paragraph 17.1	We may match any offer for either your business or the ownership interest of any Owner of the Restaurant.
o. Franchisor's option to purchase franchisee's business	Paragraph 18.13	Upon termination or expiration of the Franchise Agreement, we have the option to acquire your business or the assets used in your business.
p. Death or disability of franchisee	Paragraphs 17.3 and 10.3	Franchise must be assigned by estate to approved buyer within 180 days or the franchise automatically terminates. "Operator" must be replaced within the time limits specified in Paragraph 10.3 of the Franchise Agreement or the franchise will automatically terminate in 30 days.
q. Non-competition covenants during the term of the franchise	Paragraph 16.1	No involvement in a competing business, which is any business engaged in the retail sale of pizza, submarine sandwiches and other products similar to our designated menu items.
r. Non-competition covenants after the franchise is terminated or expires	Paragraph 16.2	No competing business (which is any business engaged in the retail sale of pizza, submarine sandwiches and other products similar to our designated menu items) for 12 months (i) at the former Restaurant; (ii) within 5 miles of the former Restaurant; or (iii) within 5 miles of any Hungry Howie's Unit;
s. Modification of the agreement	Paragraphs 15.2 and 22.3	No modifications except as caused by change in law but the Manual is subject to change and policies or standards may be revised or established concerning any aspect of the system.
t. Integration/merger clause	Paragraph 24.2	Only the terms of the Franchise Agreement are binding (subject to state law). The Franchise Agreement supersedes any prior agreements. Any representations or promises made outside of the Disclosure Document or Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Paragraphs 18.13 (g) and 23.5	Used to determine fair market value of your assets and all disputes and claims under the Franchise Agreement.

Provision	Paragraph in Franchise Agreement	Summary
v. Choice of forum	Paragraphs 23.4 and 23.5	Michigan. Otherwise, alternative location if required by law, such as state in which Restaurant is located.
w. Choice of law	Paragraph 23.3	Michigan or federal if it has to do with trademarks or arbitration

Provision	Paragraph in ADMUA	Summary
a. Length of Agreement	Paragraph 1.1; Exhibit A Part 3	Negotiated with us. The term of an ADMUA generally does not exceed 5 years.
b. Renewal or extension of the term	None	Not Applicable – See Franchise Agreement
c. Requirements for franchisee to renew or extend	None	Not Applicable – See Franchise Agreement
d. Termination by franchisee	None	Not Applicable – See Franchise Agreement
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by franchisor with cause	Paragraph 6	Your failure to follow the Development Schedule or any other default of the terms of the ADMUA. Default also includes the termination of a Franchise Agreement or New Agreement by us or by you. Default also includes your failure to cure a Franchisee Default under the Franchise Agreement or a New Agreement.
g. “Cause” defined – curable defaults	None	No defaults are curable.
h. “Cause” defined – non-curable defaults	None	Not Applicable – See Franchise Agreement
i. Franchisee’s obligation on termination/non-renewal	None	Not Applicable – See Franchise Agreement
j. Assignment of contract by franchisor	None	Not Applicable – See Franchise Agreement
k. “Transfer” by franchisee definition	Paragraph 7	None of your Development Rights may be transferred or assigned at all.
l. Franchisor’s approval of transfer by franchisee	Paragraph 7	None of your Development Rights may be transferred or assigned at all. Only a non-controlling ownership interest of you may be transferred or assigned, subject to our prior written consent.
m. Conditions for franchisor’s approval of transfer	Paragraph 7	None of your Development Rights may be transferred or assigned at all. Only a non-controlling ownership interest of you may be transferred or assigned, subject to our prior written consent.

Provision	Paragraph in ADMUA	Summary
n. Franchisor's right of first refusal to acquire your business	None	Not Applicable – See Franchise Agreement
o. Franchisor's option to purchase your business	None	Not Applicable – See Franchise Agreement
p. Death or disability of franchisee	None	Not Applicable – See Franchise Agreement
q. Non-competition covenants during the term of the franchise	Paragraph 1.2	Not Applicable – See Franchise Agreement
r. Non-competition after the franchise is terminated or expires	None	Not Applicable – See Franchise Agreement
s. Modification of the agreement	None	Not Applicable – See Franchise Agreement
t. Integration/merger clause	None	Not Applicable – See Franchise Agreement
u. Dispute resolution by arbitration or mediation	None	Not Applicable – See Franchise Agreement
v. Choice of forum	None	See Franchise Agreement
w. Choice of law	None	See Franchise Agreement

See the State Addenda to this Disclosure Document attached as Exhibit A for special state disclosures.

Item 18: Public Figures

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

Item 19: Financial Performance Representations

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in this 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 financial performance representations below are based on the historical performance of a subset of existing Hungry Howie's Units.

COVID-19

We did not materially change the Hungry Howie's franchise concept or business model due to the COVID-19 pandemic.

Florida Units

Units located in the State of Florida are excluded from the information and calculations provided in this Item 19 because such units are owned by franchisees of H.H. Pizza, Inc., which operates under a license agreement with us. Subject to its license agreement, H.H. Pizza, Inc. may deviate

from the Hungry Howie's system in certain respects, including its selection of menu items, standards and specifications, and marketing strategies.

Chart 1A and 1B General Information

- The information shown in Chart 1A was derived from Gross Sales¹ for our 2022 fiscal year (December 27, 2021 through December 25, 2022). The total number of Hungry Howie's Units as of December 25, 2022 was 536, which includes Franchised Units, Affiliated Units, "legacy units" (which are excluded from this information), and the 201 Florida units (which are excluded from this information as described under "Florida Units" above).
- The information shown in Chart 1B was derived from Gross Sales for our 2021 fiscal year (December 28, 2020 through December 26, 2021). The total number of Hungry Howie's Units as of December 26, 2021 was 534, which includes Franchised Units, Affiliated Units, "legacy units" (which are excluded from this information), and the 202 Florida units (which are excluded from this information as described under "Florida Units" above).
- The information was obtained from POS systems at each individual unit. We did not independently audit any of this information.
- Gross Sales were only used if the Hungry Howie's Unit had been open for the entire fiscal year for which the information is listed. However, in Chart 1A, units that were closed for more than 10 days due to a force majeure event (e.g. COVID-19) were excluded.
- All units open for the respective full fiscal year are included in the "All Units" line-item (i.e., the system-wide average), though not in the state-specific line-items. If a state had five or more open Hungry Howie's Units for the entire fiscal year, then the Gross Sales of Hungry Howie's Units in that state have been listed². States with four or less units were excluded in order to preserve anonymity as well as to provide statistically relevant information.

Chart 1A
Average & Median Annual Gross Sales of Certain Hungry Howie's Units
for the 52-weeks ended December 25, 2022

Type of Unit	Number of Units	Average Annual Gross Sales ⁸ of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales ⁹ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
All Units ³	316	\$872,531	144	45.57%	\$829,498	\$2,265,197	\$300,055
Franchised Units ⁴	283	\$854,422	123	43.46%	\$805,045	\$2,265,197	\$300,055
Affiliated Units (Broadcast) ⁵	33	\$1,027,827	14	42.42%	\$999,389	\$1,602,541	\$584,032
Franchised Units (Broadcast) ⁶	150	\$960,453	69	46.00%	\$922,541	\$1,672,960	\$341,566
Franchised Units (Non-Broadcast) ⁷	133	\$734,837	48	36.09%	\$678,100	\$2,265,197	\$300,055
Alabama	12	\$832,033	5	41.67%	\$785,142	\$1,525,206	\$404,990
Arizona	23	\$694,249	7	30.43%	\$585,796	\$2,092,108	\$408,006
California	9	\$908,917	4	44.44%	\$889,352	\$1,254,490	\$545,213
Indiana	5	\$636,237	2	40.00%	\$634,730	\$833,824	\$396,744
Michigan	191	\$967,461	86	45.03%	\$934,275	\$1,672,960	\$341,566
North Carolina	22	\$730,530	9	40.91%	\$702,515	\$1,309,553	\$464,356
Ohio	11	\$610,041	2	18.18%	\$513,466	\$1,125,798	\$448,863
South Carolina	6	\$1,057,270	2	33.33%	\$900,264	\$2,265,197	\$495,898
Texas	7	\$730,502	3	42.86%	\$687,588	\$989,428	\$346,627
Utah	6	\$678,240	3	50.00%	\$674,723	\$868,884	\$564,340

Footnotes:

1. "Gross Sales" means all sales or revenue arising out of Hungry Howie's Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie's Units, whether delivery or performance is made from Hungry Howie's Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie's Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie's Units; (vii) which a person, in the normal and customary

course of business, would credit or attribute to the operation of Hungry Howie's Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee's inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

2. States with less than 5 units include Arkansas, Colorado, Delaware, Georgia, Louisiana, Mississippi, Nevada, Oklahoma, Pennsylvania, and Tennessee. As such, these states are not included in the state-specific line-items. Such units were included in the All Units calculations.

3. "All Units" means the sum of all Franchised Units and Affiliated Units.

4. "Franchised Units" means all Hungry Howie's Units that were open and reporting sales to us for the entire fiscal year, excluding (1) 201 Florida units, (2) 33 Affiliated Units, (3) 13 Hungry Howie's Units which opened or closed during the entire fiscal year, (4) 4 "legacy units" which are not obligated to and do not report sales to us; and (5) 2 units that were closed for more than ten consecutive days during the entire fiscal year due to a force majeure event (e.g. COVID-19). The Franchised Units are in 20 states. These Franchised Units have reasonably similar operations as those being offered for sale.

5. "Affiliated Units" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

6. "Franchised Units (Broadcast)" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) located in a broadcast-feasible market. A "broadcast-feasible market" is one in which traditional broadcast media, such as radio and television, are affordable and efficient advertising options for the units in such market. Excluded from this category are (1) 201 Florida units, (2) 33 Affiliated Units, (3) 13 Hungry Howie's Units which opened or closed during the fiscal year, (4) 4 "legacy units" which are not obligated to and do not report sales to us, (5) 133 Franchise Units (Non-Broadcast), and (6) 2 units that were closed for more than ten consecutive days during the entire fiscal year due to a force majeure event (e.g. COVID-19). These units are all located in Michigan.

7. Franchised Units (Non-Broadcast)" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) located in a non-broadcast-feasible market. Excluded from this category are (1) 201 Florida units, (2) 33 Affiliated Units, (3) 13 Hungry Howie's Units which opened or closed during the entire fiscal year, (4) 4 "legacy units" which are not obligated to and do not report sales to us, and (5) 150 Franchise Units (Broadcast). These units are located in 20 states.

8. Average Annual Gross Sales were calculated by aggregating the Gross Sales for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the number of Franchised Units, Affiliated Units and All Units, as the case may be.

9. Median Annual Gross Sales were calculated by placing all data point values of annual gross sales of Franchised Units, Affiliated Units and All Units, as the case may be, for the entire fiscal

year in value order and finding the middle data point in that set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

Chart 1B
Average & Median Annual Gross Sales of Certain Hungry Howie's Units
for the 52-weeks ended December 26, 2021

Type of Unit	Number of Units	Average Annual Gross Sales ⁸ of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales ⁹ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
All Units ³	315	\$860,233	145	43.94%	\$835,503	\$2,535,001	\$273,275
Franchised Units ⁴	282	\$844,651	123	43.62%	\$806,899	\$2,535,001	\$273,275
Affiliated Units (Broadcast) ⁵	33	\$993,387	14	42.42%	\$944,141	\$1,583,280	\$538,348
Franchised Units (Broadcast) ⁶	148	\$959,593	66	44.59%	\$922,748	\$1,679,429	\$321,271
Franchised Units (Non-Broadcast) ⁷	134	\$717,701	31	23.13%	\$652,498	\$2,535,001	\$273,275
Alabama	11	\$895,217	6	54.55%	\$917,244	\$1,819,942	\$492,843
Arizona	23	\$622,681	6	26.09%	\$532,219	\$1,731,723	\$344,754
California	10	\$942,743	6	60.00%	\$1,002,247	\$1,400,578	\$382,058
Indiana	6	\$580,595	3	50.00%	\$546,693	\$859,047	\$342,958
Michigan	189	\$960,566	83	43.92%	\$928,617	\$1,679,429	\$321,271
North Carolina	22	\$729,757	11	50.00%	\$733,643	\$1,241,917	\$501,596
Ohio	11	\$574,634	2	18.18%	\$496,443	\$1,068,723	\$433,138
South Carolina	6	\$1,087,572	2	33.33%	\$935,870	\$2,535,001	\$474,837
Texas	8	\$623,772	4	50.00%	\$636,854	\$950,488	\$335,199
Utah	6	\$665,727	3	50.00%	\$666,797	\$837,455	\$531,071

Footnotes:

1. "Gross Sales" means all sales or revenue arising out of Hungry Howie's Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the

value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie's Units, whether delivery or performance is made from Hungry Howie's Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie's Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie's Units; (vii) which a person, in the normal and customary course of business, would credit or attribute to the operation of Hungry Howie's Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee's inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

². States with less than 5 units include Arkansas, Colorado, Delaware, Georgia, Louisiana, Mississippi, Nevada, Oklahoma, Pennsylvania, and Tennessee. As such, these states are not included in the state-specific line-items. Such units were included in the All Units calculations.

³. "All Units" means the sum of all Franchised Units and Affiliated Units.

⁴. "Franchised Units" means all Hungry Howie's Units that were open and reporting sales to us for the entire fiscal year, excluding (1) 202 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie's Units which opened or closed during the entire fiscal year, and (4) 4 "legacy units" which are not obligated to and do not report sales to us. The Franchised Units are in 20 states. These Franchise Units have reasonably similar operations as those being offered for sale.

⁵. "Affiliated Units" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

⁶. "Franchised Units (Broadcast)" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) located in a broadcast-feasible market. A "broadcast-feasible market" is one in which traditional broadcast media, such as radio and television, are affordable and efficient advertising options for the units in such market. Excluded from this category are (1) 202 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie's Units which opened or closed during the fiscal year, (4) 4 "legacy units" which are not obligated to and do not report sales to us, and (5) 142 Franchise Units (Non-Broadcast). These units are all located in Michigan.

⁷. "Franchised Units (Non-Broadcast)" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) located in a non-broadcast-feasible market. Excluded from this category are (1) 203 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie's Units which opened or closed during the entire fiscal year, (4) 4 "legacy units" which are not obligated to and do not report sales to us, and (5) 148 Franchise Units (Broadcast). These units are located in 20 states.

⁸. Average Annual Gross Sales were calculated by aggregating the Gross Sales for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the number of Franchised Units, Affiliated Units and All Units, as the case may be.

⁹. Median Annual Gross Sales were calculated by placing all data point values of annual gross sales of Franchised Units, Affiliated Units and All Units, as the case may be, for the entire fiscal year in value order and finding the middle data point in that set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

Chart 2A and 2B General Information

- The information shown in Chart 2A was derived from Gross Sales¹ for our 2022 fiscal year (December 27, 2021 through December 25, 2022). The total number of Hungry Howie's Units as of December 25, 2022 was 536, which includes Franchised Units, Affiliated Units, "legacy units" (which are excluded from this information), and the 201 Florida units (which are excluded from this information as described under "Florida Units" above).
- The information shown in Chart 2B was derived from Gross Sales¹ for our 2021 fiscal year (December 28, 2020 through December 26, 2021). The total number of Hungry Howie's Units as of December 26, 2021 was 534, which includes Franchised Units, Affiliated Units, "legacy units" (which are excluded from this information), and the 202 Florida units (which are excluded from this information as described under "Florida Units" above).
- The information was obtained from POS systems at each individual unit. We did not independently audit any of this information.
- Gross Sales were only used if the Hungry Howie's Unit had been open for the entire fiscal year for which the information is listed. However, in Chart 1B, units that were closed for more than 10 days due to a force majeure event (e.g. COVID-19) were excluded.

Chart 2A

Gross Sales of Certain Hungry Howie's Units for the 52 weeks ended December 25, 2022

We examined the Gross Sales¹ of certain Hungry Howie's Units (as described below) that were open for the entire 52-week period from December 27, 2021 through December 25, 2022. The following tables provide the average and median Gross Sales, on a categorical and cumulative basis, for units which were open during the entire fiscal year and which describe the top performing 25%, 50%, and 75%, and the bottom performing 25%, 50%, and 75%, of 308 Units (including 282 Franchised Units² and 33 Affiliated Units³).

Type of Units	Number of Units	Average Annual Gross Sales⁴ of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales⁵ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
Top 25% of Franchised Units	71	1,287,635	28	39.44%	1,230,801	2,265,197	906,728
Bottom 25% of Franchised Units	71	514,549	40	56.34%	526,422	625,900	300,055
Top 50% of Franchised Units	141	1,099,294	59	41.84%	1,029,529	2,265,197	805,776
Bottom 50% of Franchised Units	141	609,900	74	52.48%	625,900	797,871	300,055
Top 75% of Franchised Units	212	968,247	87	41.04%	906,728	2,265,197	626,325
Bottom 75% of Franchised Units	212	709,336	99	46.70%	699,940	1,027,066	300,055
Total Franchised Units	283	854,422	123	43.46%	805,045	2,265,197	300,055

Type of Units	Number of Units	Average Annual Gross Sales⁴ of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales⁵ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
Top 25% of Affiliated Units	8	1,379,573	4	50.00%	1,383,061	1,602,541	1,181,189

Bottom 25% of Affiliated Units	8	748,984	4	50.00%	754,547	870,656	584,032
Top 50% of Affiliated Units	16	1,225,980	7	43.75%	1,166,140	1,602,541	1,002,011
Bottom 50% of Affiliated Units	16	831,451	9	56.25%	874,661	964,024	584,032
Top 75% of Affiliated Units	25	1,117,056	10	40.00%	1,046,000	1,602,541	878,666
Bottom 75% of Affiliated Units	25	915,268	13	52.00%	924,507	1,151,091	584,032
Total Affiliated Units	33	1,027,827	14	42.42%	999,389	1,602,541	584,032

Footnotes:

1. “Gross Sales” means all sales or revenue arising out of Hungry Howie’s Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie’s Units, whether delivery or performance is made from Hungry Howie’s Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie’s Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie’s Units; (vii) which a person, in the normal and customary course of business, would credit or attribute to the operation of Hungry Howie’s Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee’s inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

2. “Franchised Units” means all Hungry Howie’s Units that were open and reporting sales to us for the entire fiscal year, excluding (1) 201 Florida units, (2) 33 Affiliated Units, (3) 13 Hungry Howie’s Units which opened or closed during the entire fiscal year, (4) 4 “legacy units” which are not obligated to and do not report sales to us, and (5) 2 units that were closed for more than ten consecutive days during the entire fiscal year due to a force majeure event (e.g. COVID-19). The Franchised Units are in 20 states. These Franchised Units have reasonably similar operations as those being offered for sale.

3. “Affiliated Units” means all Hungry Howie’s Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of

ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

⁴. Average Annual Gross Sales were calculated by aggregating the Gross Sales for the fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the number of Franchised Units, Affiliated Units and All Units, as the case may be.

⁵. Median Annual Gross Sales were calculated by placing all data point values of annual gross sales of Franchised Units, Affiliated Units and All Units, as the case may be, for the fiscal year in value order and finding the middle data point in that set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

**Chart 2B:
Gross Sales of Certain Hungry Howie's Units for the 52 weeks ended December 26, 2021**

We examined the Gross Sales¹ of certain Hungry Howie's Units (as described below) that were open for the entire 52-week period from December 28, 2020 through December 26, 2021. The following tables provide the average and median Gross Sales, on a categorical and cumulative basis, for units which were open during the entire fiscal year and which describe the top performing 25%, 50%, and 75%, and the bottom performing 25%, 50%, and 75%, of 308 Units (including 282 Franchised Units² and 33 Affiliated Units³).

Type of Units	Number of Units	Average Annual Gross Sales⁴ of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales⁵ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
Top 25% of Franchised Units	70	1,296,358	30	42.86%	1,239,767	2,535,001	1,051,547
Bottom 25% of Franchised Units	70	476,694	37	52.86%	478,438	597,445	273,275
Top 50% of Franchised Units	141	1,099,570	55	39.01%	1,038,222	2,535,001	809,037
Bottom 50% of Franchised Units	141	589,732	76	53.90%	601,668	804,760	273,275
Top 75% of Franchised Units	212	966,146	84	39.62%	886,969	2,535,001	601,668
Bottom 75% of Franchised Units	212	695,503	105	49.53%	695,337	1,038,222	273,275
Total Franchised Units	282	844,651	123	43.62%	806,899	2,535,001	273,275

Type of Units	Number of Units	Average Annual Gross Sales⁴ of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales⁵ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
Top 25% of Affiliated Units	8	1,326,413	5	62.50%	1,343,064	1,583,280	1,103,155

Bottom 25% of Affiliated Units	8	726,091	5	62.50%	759,437	843,296	538,348
Top 50% of Affiliated Units	16	1,177,425	6	37.50%	1,101,623	1,583,280	954,103
Bottom 50% of Affiliated Units	16	812,427	9	56.25%	851,177	934,096	538,348
Top 75% of Affiliated Units	25	1,078,922	10	40.00%	1,022,947	1,583,280	859,058
Bottom 75% of Affiliated Units	25	886,819	13	52.00%	919,156	1,100,091	538,348
Total Affiliated Units	33	993,387	14	42.42%	944,141	1,583,280	538,348

Footnotes:

1. "Gross Sales" means all sales or revenue arising out of Hungry Howie's Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie's Units, whether delivery or performance is made from Hungry Howie's Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie's Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie's Units; (vii) which a person, in the normal and customary course of business, would credit or attribute to the operation of Hungry Howie's Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee's inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

2. "Franchised Units" means all Hungry Howie's Units that were open and reporting sales to us for the entire fiscal year, excluding (1) 202 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie's Units which opened or closed during the entire fiscal year, and (4) 4 "legacy units" which are not obligated to and do not report sales to us. The Franchised Units are in 20 states. These Franchised Units have reasonably similar operations as those being offered for sale.

3. "Affiliated Units" means all Hungry Howie's Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

4. Average Annual Gross Sales were calculated by aggregating the Gross Sales for the fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the number of Franchised Units, Affiliated Units and All Units, as the case may be.

5. Median Annual Gross Sales were calculated by placing all data point values of annual gross sales of Franchised Units, Affiliated Units and All Units, as the case may be, for the fiscal year in value order and finding the middle data point in that set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

**Chart 3:
Number of Hungry Howie’s Units with Gross Sales Over \$1,000,000 by Year**

The following chart provides information regarding the number of Franchised Units and Affiliated Units with Gross Sales¹ over \$1,000,000, by year for the entire 52-week period from December 28, 2020 through December 26, 2021 and the entire 52-week period from December 27, 2021 through December 25, 2022 which were open for business during the entirety of these fiscal years.

Type of Units Examined	2021	2022
All Units ² Reported	315	316
Total Franchised Units ³ Reported	282	283
Franchised Units over \$1,000,000	78	75
% of Franchised Units to Total Reported	27.66%	26.5%
Total Affiliated Units ⁴ Reported	33	33
Affiliated Units over \$1,000,000	14	16
% of Affiliated Units to Total Reported	42.42%	48.48%

Footnotes:

1. “Gross Sales” means all sales or revenue arising out of Hungry Howie’s Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie’s Units, whether delivery or performance is made from Hungry Howie’s Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie’s Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie’s Units; (vii) which a person, in the normal and customary course of business, would credit or attribute to the operation of Hungry Howie’s Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee’s inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

2. “All Units” means the sum of all Franchised Units and Affiliated Units.

3. “Franchised Units” means all Hungry Howie’s Units that were open and reporting sales to us for the entire fiscal year. In 2021, this excludes (1) 202 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie’s Units which opened or closed during the fiscal year., and (4) 4 “legacy units” which are not obligated to and do not report sales to us. In 2022, this excludes (1) 201 Florida units, (2) 33 Affiliated Units, (3) 13 Hungry Howie’s Units which opened or closed during the fiscal year., (4) 4 “legacy units” which are not obligated to and do not report sales to us, and (5) 2 units that were closed for more than ten consecutive days during the entire fiscal year due to a force majeure event (e.g. COVID-19). For 2020 and 2021, the Franchised Units are in 20 states. These Franchised Units have reasonably similar operations as those being offered for sale.

4. “Affiliated Units” means all Hungry Howie’s Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

Chart 4A
Average & Median Annual Gross Sales and Food, Paper & Labor Cost Information
of Certain Hungry Howie's Units for the 52 weeks ended December 25, 2022

We examined income statements of certain Hungry Howie's Units as described below for the entire 52-week period from December 27, 2021 to December 25, 2022. The income statements have not been audited. Income statements received by us that showed obvious and material inconsistencies or defects were not used in this analysis. The data below was derived from Gross Sales¹ and select cost information² obtained from income statements we received as of March 13, 2023 from Franchised Units³, Affiliated Units⁴ and All Units⁵. The units used in this analysis were open the entirety of the fiscal year.

Type of Units Examined	Number of Units	Average Annual Gross Sales ^{6, 7} of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales ⁸ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
Franchised Units	240	\$865,390	108	45.00%	\$816,907	\$2,266,614	\$275,073
Affiliated Units	33	\$1,025,826	14	42.42%	\$999,016	\$1,602,236	\$583,732
All Units	273	\$884,783	124	45.42%	\$840,893	\$2,266,614	\$275,073

Type of Hungry Howie's Units Examined	Type of Cost	Average Percentage of Gross Sales ⁹	Number of Hungry Howie's Units Below the Average	Percentage of Hungry Howie's Units Below the Average	Median Percentage of Gross Sales ¹⁰	Highest Percentage of Gross Sales	Lowest Percentage of Gross Sales
Franchised Units	Food Cost	25.98%	136	56.67%	25.72%	36.95%	21.83%
Franchised Units	Paper Cost	3.86%	105	43.75%	3.92%	6.09%	2.46%
Franchised Units	Labor Cost	18.16%	113	47.08%	18.99%	38.11%	6.57%
	Total Average	48.00%	119	49.58%	48.06%	70.87%	34.25%

Type of Hungry Howie's Units Examined	Type of Cost	Average Percentage of Gross Sales ⁹	Number of Hungry Howie's Units Below the Average	Percentage of Hungry Howie's Units Below the Average	Median Percentage of Gross Sales ¹⁰	Highest Percentage of Gross Sales	Lowest Percentage of Gross Sales
Affiliated Units	Food Cost	25.66%	21	63.64%	25.22%	29.38%	22.99%
Affiliated Units	Paper Cost	3.96%	14	42.42%	3.97%	4.32%	3.57%
Affiliated Units	Labor Cost	20.71%	17	51.52%	20.68%	24.39%	14.55%
	Total Average	50.33%	19	57.58%	50.05%	56.78%	43.71%

Type of Hungry Howie's Units Examined	Type of Cost	Average Percentage of Gross Sales ⁹	Number of Hungry Howie's Units Below the Average	Percentage of Hungry Howie's Units Below the Average	Median Percentage of Gross Sales ¹⁰	Highest Percentage of Gross Sales	Lowest Percentage of Gross Sales
All Units	Food Cost	25.94%	156	57.14%	25.64%	36.95%	21.83%
All Units	Paper Cost	3.87%	117	42.86%	3.94%	6.09%	2.46%
All Units	Labor Cost	18.52%	117	42.86%	19.44%	38.11%	6.57%
	Total Average	48.33%	130	47.62%	48.57%	70.87%	34.25%

Footnotes:

1. "Gross Sales" means all sales or revenue arising out of Hungry Howie's Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie's Units, whether delivery or performance is made from Hungry Howie's Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie's Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie's Units; (vii) which a person, in the normal and customary course of business, would credit or attribute to the operation of Hungry Howie's Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee's inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

2. Such select cost information includes food, paper and labor costs.

“Food Cost” means the cost of all food and beverages purchased to produce the Menu Items sold at certain Hungry Howie’s Units. The Menu Items sold at certain Hungry Howie’s Units are substantially the same.

“Paper Cost” means the cost of all pizza boxes and other containers or packaging purchased for the Menu Items sold at certain Hungry Howie’s Units. Pizza boxes and other containers or packaging purchased for the Menu Items sold at certain Hungry Howie’s Units are substantially the same.

“Labor Cost” means the cost of the actual labor cost of all production and delivery personnel in certain Hungry Howie’s Units, excluding any tax burdens, bonuses or benefits. Labor Cost also excludes any amounts paid to managers and/or the Owners.

³ “Franchised Units” means all Hungry Howie’s Units that were open and reporting sales to us for the entire fiscal year, excluding (1) 203 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie’s Units which opened or closed during the entire fiscal year, and (4) 4 “legacy units” which are not obligated to and do not report sales to us. The Franchised Units are in 20 states. These Franchised Units have reasonably similar operations as those being offered for sale.

⁴ “Affiliated Units” means all Hungry Howie’s Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

⁵ “All Units” means the sum of all Franchised Units and Affiliated Units.

⁶ Average Annual Gross Sales were calculated by aggregating the Gross Sales for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the number of Franchised Units, Affiliated Units and All Units, as the case may be.

⁷ The difference between the numbers provided for Average Annual Gross Sales of Affiliated Units and All Units in Charts 1A and 1B and the numbers provided for the same in Charts 4A and 4B is because sales information used to generate Charts 1A and 1B are obtained from point of sales systems at each individual unit and sales information used to generate Charts 4A and 4B are obtained from income statements received from individual units. Franchisees may make adjustments to information contained in income statements, such as returns, discounts and allowances.

⁸ Median Annual Gross Sales were calculated by placing all data point values of annual gross sales of Franchised Units, Affiliated Units and All Units, as the case may be, for the entire fiscal year in value order and finding the middle data point in that set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

⁹ Average Percentages were calculated by aggregating the Food Cost, Paper Cost and Labor Cost, as the case may be, for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the aggregate Gross Sales of such units for the entire fiscal year.

¹⁰ Median Percentages were calculated by placing all data point values of Food Cost, Paper Cost and Labor Cost, as the case may be, for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, in value order and finding the middle data point in that

set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

Chart 4B
Average & Median Annual Gross Sales and Food, Paper & Labor Cost Information
of Certain Hungry Howie's Units for the 52 weeks ended
December 26, 2021

We examined income statements of certain Hungry Howie's Units as described below for the entire 52-week period from December 27, 2020 to December 26, 2021. The income statements have not been audited. Income statements received by us that showed obvious and material inconsistencies or defects were not used in this analysis. The data below was derived from Gross Sales¹ and select cost information² obtained from income statements we received as of March 14, 2022 from Franchised Units³, Affiliated Units⁴ and All Units⁵. The units used in this analysis were open the entirety of the fiscal year.

Type of Units Examined	Number of Units	Average Annual Gross Sales ^{6,7} of Units	Number of Units Which Attained or Surpassed the Average	Percentage of Units Which Attained or Surpassed the Average	Median Annual Gross Sales ⁸ of Units	Highest Annual Gross Sales of a Unit	Lowest Annual Gross Sales of a Unit
Franchised Units	250	\$853,787	113	45.20%	\$820,940	\$2,535,310	\$304,105
Affiliated Units	33	\$992,595	14	42.42%	\$938,115	\$1,582,959	\$537,931
All Units	283	\$869,973	128	45.23%	\$843,210	\$2,535,310	\$304,105

Type of Hungry Howie's Units Examined	Type of Cost	Average Percentage of Gross Sales ⁹	Number of Hungry Howie's Units Below the Average	Percentage of Hungry Howie's Units Below the Average	Median Percentage of Gross Sales ¹⁰	Highest Percentage of Gross Sales	Lowest Percentage of Gross Sales
Franchised Units	Food Cost	24.01%	135	54.00%	23.79%	36.24%	15.53%
Franchised Units	Paper Cost	3.47%	108	43.20%	3.51%	4.61%	2.32%
Franchised Units	Labor Cost	17.80%	114	45.60%	18.55%	33.40%	6.52%
	Total Average	45.28%	111	44.40%	46.00%	66.16%	32.66%

Type of Hungry Howie's Units Examined	Type of Cost	Average Percentage of Gross Sales ⁹	Number of Hungry Howie's Units Below the Average	Percentage of Hungry Howie's Units Below the Average	Median Percentage of Gross Sales ¹⁰	Highest Percentage of Gross Sales	Lowest Percentage of Gross Sales
Affiliated Units	Food Cost	23.66%	18	54.55%	23.64%	25.52%	22.29%
Affiliated Units	Paper Cost	3.51%	15	45.45%	3.52%	3.84%	3.30%
Affiliated Units	Labor Cost	20.86%	15	45.45%	21.21%	26.29%	15.84%
	Total Average	48.03%	16	48.48%	48.11%	54.05%	42.98%

Type of Hungry Howie's Units Examined	Type of Cost	Average Percentage of Gross Sales ⁹	Number of Hungry Howie's Units Below the Average	Percentage of Hungry Howie's Units Below the Average	Median Percentage of Gross Sales ¹⁰	Highest Percentage of Gross Sales	Lowest Percentage of Gross Sales
All Units	Food Cost	23.96%	152	53.71%	23.71%	36.24%	15.53%
All Units	Paper Cost	3.48%	128	45.23%	3.51%	4.61%	2.32%
All Units	Labor Cost	18.21%	121	42.76%	19.00%	33.40%	6.52%
	Total Average	45.65%	122	43.11%	46.29%	66.16%	32.66%

Footnotes:

1. "Gross Sales" means all sales or revenue arising out of Hungry Howie's Units, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from Hungry Howie's Units, whether delivery or performance is made from Hungry Howie's Units or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from Hungry Howie's Units; (vi) that are made or performed by means of mechanical or other vending devices at Hungry Howie's Units; (vii) which a person, in the normal and customary course of business, would credit or attribute to the operation of Hungry Howie's Units; or (viii) from sales made or revenue received from a kiosk. Gross Sales are calculated without reserve or deduction for a franchisee's inability or failure to collect, any amounts owed to such franchisee or for any fees, payments or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program or Electronic payment processing system. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a franchisee on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

2. Such select cost information includes food, paper and labor costs.

“Food Cost” means the cost of all food and beverages purchased to produce the Menu Items sold at certain Hungry Howie’s Units. The Menu Items sold at certain Hungry Howie’s Units are substantially the same.

“Paper Cost” means the cost of all pizza boxes and other containers or packaging purchased for the Menu Items sold at certain Hungry Howie’s Units. Pizza boxes and other containers or packaging purchased for the Menu Items sold at certain Hungry Howie’s Units are substantially the same.

“Labor Cost” means the cost of the actual labor cost of all production and delivery personnel in certain Hungry Howie’s Units, excluding any tax burdens, bonuses or benefits. Labor Cost also excludes any amounts paid to managers and/or the Owners.

³ “Franchised Units” means all Hungry Howie’s Units that were open and reporting sales to us for the entire fiscal year, excluding (1) 203 Florida units, (2) 33 Affiliated Units, (3) 15 Hungry Howie’s Units which opened or closed during the entire fiscal year, and (4) 4 “legacy units” which are not obligated to and do not report sales to us. The Franchised Units are in 20 states. These Franchised Units have reasonably similar operations as those being offered for sale.

⁴ “Affiliated Units” means all Hungry Howie’s Units that were (1) open and reporting sales to us for the entire fiscal year and (2) owned or controlled by a director, officer, parent or affiliate of ours. The Affiliated Units are all located in Michigan. These Affiliated Units have reasonably similar operations as those being offered for sale.

⁵ “All Units” means the sum of all Franchised Units and Affiliated Units.

⁶ Average Annual Gross Sales were calculated by aggregating the Gross Sales for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the number of Franchised Units, Affiliated Units and All Units, as the case may be.

⁷ The difference between the numbers provided for Average Annual Gross Sales of Affiliated Units and All Units in Charts 1A and 1B and the numbers provided for the same in Charts 4A and 4B is because sales information used to generate Charts 1A and 1B are obtained from point of sales systems at each individual unit and sales information used to generate Charts 4A and 4B are obtained from income statements received from individual units. Franchisees may make adjustments to information contained in income statements, such as returns, discounts and allowances.

⁸ Median Annual Gross Sales were calculated by placing all data point values of annual gross sales of Franchised Units, Affiliated Units and All Units, as the case may be, for the entire fiscal year in value order and finding the middle data point in that set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

⁹ Average Percentages were calculated by aggregating the Food Cost, Paper Cost and Labor Cost, as the case may be, for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, and dividing the same by the aggregate Gross Sales of such units for the entire fiscal year.

¹⁰ Median Percentages were calculated by placing all data point values of Food Cost, Paper Cost and Labor Cost, as the case may be, for the entire fiscal year of the Franchised Units, Affiliated Units and All Units, as the case may be, in value order and finding the middle data point in that

set. In the event the data set contains an odd number of data points, the median is the center number. In the event the data set contains an even number of data points, the median is reached by taking the two data points in the middle, adding them together, and dividing by two.

Various factors affect sales and certain costs, including the economy; competition; accessibility and visibility of a location; the Operators business and restaurant experience, ability, business acumen and commitment to marketing the Restaurant; and adherence to System standards, policies and procedures.

Some Hungry Howie's Units have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Written substantiation of all financial performance information appearing in this Item 19 will be furnished to you upon reasonable request.

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 Hungry Howie's Unit. 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 Steve Clough at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071 (248) 414-3300, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20: Outlets and Franchisee Information

The following applies to all the tables in this Item 20: 1) Company Owned Outlets are all owned by Properties, JFS, GP Pizza, Perry Pizza, and Shelby Pizza. Properties is a wholly owned subsidiary of Distributing, which is an affiliate of ours. JFS is owned and controlled by an officer of ours. All Company Owned outlets are located in Michigan. 2) Florida Outlets are all owned by franchisees of H.H. Pizza, Inc., which operates under a license agreement with us. Subject to its license agreement, H.H. Pizza, Inc. deviates from the Hungry Howie’s system in certain respects, including its selection of menu items, standards and specifications, and marketing strategies. Information on Florida outlets is based on information obtained from Distributing and has not been independently verified. The numbers are as of December 31 for each year.

**TABLE NO. 1
SYSTEM WIDE OUTLET SUMMARY
FOR YEARS 2020 TO 2022**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2020	504	499	-5
	2021	499	501	2
	2022	501	503	2
Company Owned*	2020	33	32	-1
	2021	32	33	1
	2022	33	33	0
Total Outlets	2020	537	531	-6
	2021	531	534	3
	2022	534	536	2

**TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO
NEW OWNERS OTHER THAN THE FRANCHISOR
FOR YEARS 2020 TO 2022**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2020	5
	2021	1
	2022	0
California	2020	0
	2021	0
	2022	1
Colorado	2020	0
	2021	0
	2022	1
Florida*	2020	2
	2021	3
	2022	3
Indiana	2020	0
	2021	0
	2022	1
Louisiana	2020	0
	2021	0
	2022	1
Michigan	2020	4
	2021	1
	2022	6
Nevada	2020	0
	2021	0
	2022	1
North Carolina	2020	3
	2021	3
	2022	0
Ohio	2020	0
	2021	0
	2022	1
Oklahoma	2020	0
	2021	1
	2022	0
Utah	2020	0
	2021	2
	2022	0
TOTALS	2020	14

	2021	11
	2022	15

**TABLE NO. 3
STATUS OF FRANCHISE OUTLETS
FOR YEARS 2020 TO 2022**

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6	COLUMN 7	COLUMN 8	COLUMN 9
STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS OTHER REASONS	OUTLETS AT END OF THE YEAR
Alabama	2020	11	0	0	0	0	0	11
	2021	11	1	0	0	0	0	12
	2022	12	0	0	0	0	0	12
Arizona	2020	24	0	0	0	0	1	23
	2021	23	0	0	0	0	0	23
	2022	23	1	0	0	0	0	24
Arkansas	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
California	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	1	9
Colorado	2020	2	0	0	0	0	0	2
	2021	2	2	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Delaware	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Florida	2020	204	2	0	0	0	2	204
	2021	204	0	0	0	0	2	202
	2022	202	2	0	0	0	3	201
Georgia	2020	4	1	0	0	0	1	4
	2021	4	0	0	0	0	1*	3
	2022	3	0	0	0	0	0	3
Indiana	2020	10	0	1	0	0	3	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Louisiana	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Michigan	2020	160	4	0	0	0	0	164
	2021	164	2	0	0	1	0	165
	2022	165	1	0	0	0	1	165
Mississippi	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Nevada	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
North Carolina	2020	24	0	0	0	0	1	23
	2021	23	0	0	0	0	0	23
	2022	23	3	0	0	0	0	26

Ohio	2020	13	0	0	0	0	1	12
	2021	12	0	0	0	0	1	11
	2022	11	0	0	0	0	0	11
Oklahoma	2020	2	1	0	0	0	0	3
	2021	3	0	0	0	0	1	2
	2022	2	0	0	0	0	0	2
Pennsylvania	2020	4	0	0	0	0	1	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	2	1
South Carolina	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Tennessee	2020	4	0	0	0	0	0	4
	2021	4	1	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Texas	2020	10	0	0	0	0	2	8
	2021	8	1	0	0	0	0	9
	2022	9	1	0	0	0	0	10
Utah	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	1	6
	2022	6	0	0	0	0	0	6
TOTALS	2020	504	8	1	0	0	12	499
	2021	499	7	0	0	1	4	501
	2022	501	9	0	0	0	7	503

**TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2020 TO 2022**

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisees	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisees	Column 8 Outlets at End of the Year
Michigan	2020	33	0	0	1	0	32
	2021	32	0	1	0	0	33
	2022	33	0	0	0	0	33
Totals	2020	33	0	0	1	0	32
	2021	32	0	1	0	0	33
	2022	33	0	0	0	0	33

**TABLE NO. 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2022**

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company- Owned Outlets in the Current Fiscal Year
Arizona	1	2	0
Arizona	0	1	0
Arkansas	1	0	0
Michigan	2	2	0
North Carolina	3	2	0
Texas	2	6	0
TOTAL	8	13	0

Exhibit J lists the names of all current franchisees and the addresses and telephone numbers of their outlets.

Exhibit K lists the name, city, state, and business telephone number or email address of each current franchisee who has signed a Franchise Agreement but was not opened for business as of December 31, 2022.

Exhibit L lists the name, city and state, and current business telephone number or email address of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the twelve months ended December 31, 2022, or who has not communicated with Hungry Howie's within 10 weeks of the issuance date of this Disclosure Document. If you purchase a franchise and later leave the franchise system, your contact information may be disclosed.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experience as a franchisee in the franchise system. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no trademark specific franchisee associations associated with the Hungry Howie's franchise system that Hungry Howie's has created, sponsored or endorsed. There are no trademark specific franchisee associations associated with the Hungry Howie's franchise system that are incorporated or otherwise organized under state law and that have asked us to be included in this Disclosure Document.

Item 21: Financial Statements

Attached to this disclosure document as Exhibit C are our audited financial statements for the fiscal years ended December 31, 2020, December 31, 2021 and December 31, 2022.

Item 22: Contracts

Copies of the Franchisor's current Franchise Agreement, Area Developer Multiple Unit Agreement, Standard Lease Rider, General Release and Confidentiality Agreement are attached as Exhibits E, F, G, H and I respectively.

Item 23: Receipts

You will find copies of the detachable receipts in Exhibit M which are the last pages of this Disclosure Document.

Exhibit A:
State Addenda to Disclosure Document

The following paragraphs are added to Item 17 of the Disclosure Document:

CALIFORNIA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Franchise Disclosure Document.
2. The franchisor nor any person or franchise broken in Item 2 of the Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.
3. Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.
4. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
5. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
6. The Franchise Agreement provides for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Secs. 101 et seq.).
7. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision might not be enforceable under California law.
8. The Franchise Agreement requires binding arbitration under Paragraph 18.5(g). The arbitration costs will be divided equally between you and Hungry Howie's. This provision may not be enforceable under California law.
9. The provision in the Franchise Agreement requiring the application of Michigan law may not be enforceable in California.
10. Each owner of the franchise is required to execute a personal guaranty. Doing so could jeopardize the marital assets of non-owner spouses domiciled in community property states such as California.
11. **Registration of this franchise does not constitute approval, recommendation, or endorsement by the Commissioner.**

ILLINOIS

1. **Illinois law** governs the franchise agreement(s).
2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
3. Franchisees' rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or **any other law of Illinois** is void.

MINNESOTA

1. With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you will be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.
2. Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.
2. Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2860.4400J, these sections shall not in any way abrogate or reduce your rights as provided in Minnesota Statutes, Chapter 80C, including the right to submit matters to jurisdiction of the courts of Minnesota.
3. Any release as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.
4. Minnesota Rule Part 2860.4400J prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties, or judgment notes.
5. Provided you have complied with all provisions of the Franchise Agreement and Area Development Multi-Unit Agreement applicable to the Marks, we will protect your rights to use the Marks and we also will indemnify you from any loss, costs or expenses from any claims, suits or demands regarding your use of the Marks in accordance with Minn. Stat. Sec. 80C.12 Subd. 1(g).

NORTH DAKOTA

1. The Franchise Agreement contains an agreement not to compete. The enforceability of the agreement not to compete is subject to North Dakota Century Code, Section 9-08-06.
2. The provision in the Franchise Agreement requiring any action to be commenced in the state of Michigan may not be enforceable.

3. The provision in the Franchise Agreement requiring the franchisee to pay liquidated damages may not be enforceable; however, we and you will enforce the provision to the extent the law allows.
4. The provision requiring the application of Michigan law may not be enforceable in North Dakota.
5. The provision requiring waiver of jury trial may not be enforceable in North Dakota.
6. The provision requiring the franchisee to sign a general release upon renewal of the Franchise Agreement may not be enforceable in North Dakota.
7. The provision requiring the franchisee to bring a claim within one (1) year is not enforceable. The statute of limitations under North Dakota law applies.
8. The provision that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement may not be enforceable in North Dakota. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

RHODE ISLAND

1. Any provision in the Franchise Agreement restricting jurisdiction or venue to Michigan or requiring the application of Michigan law is void and unenforceable.
2. The provision requiring a release as a condition to transfer summarized in Item 17 (m) will not be applicable if it does not conform with the Rhode Island Franchise Investment Act.
3. The provision requiring the franchisee to bring any claims under the Franchise Agreement within one (1) year is not enforceable.

Exhibit B:
State Agencies/Agents for Service of Process

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

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

There may be additional agents appointed in some of the states listed.

California

Department of Financial Protection and Innovation
One Sansome Street, Suite 600
San Francisco, California 94105-2980
(415) 972-8559
Toll Free: 1 (866) 275-2677

Hawaii

For service of process and other matters:
Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

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

Indiana

State agency:
Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317)232-6681

For service of process:

Office of the Indiana Secretary of State
200 West Washington Street
Room 201
Indianapolis, Indiana 46204
(317) 232-6531

2023 FDD

Maryland

State agency:
Office of the Attorney General – Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

For service of process:

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

Michigan

Corporations Division
Franchise Section
P.O. Box 30054
Lansing, Michigan 48909-7554
(517) 373-7117

Minnesota

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

New York

Administrator:
Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
120 Broadway, 23rd Floor

New York, New York 10271
Telephone: (212) 416-8211

For service of process:

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

North Dakota

State agency:

North Dakota Securities Department
Franchise Examiner
600 East Boulevard Avenue State Capitol
5th Floor Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

For service of process:

Securities Commissioner
600 East Boulevard Avenue State Capitol
Fifth Floor Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Rhode Island

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex 69-1
Cranston, Rhode Island 02920
(401) 462-9527

South Dakota

Division of Insurance
Securities Regulation

124 S. Euclid, Suite 104
Pierre, South Dakota 57501-3185
(605) 773-4823

Virginia

For service of process:

Clerk of the State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

For other matters:

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

Washington

For service of process:

Director Department of Financial Institutions
Securities Division
Securities Administrator
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

For other matters:

Department of Financial Institutions
Securities Division
P. O. Box 9033
Olympia, Washington 98501-9033
(360) 902-8760

Wisconsin

Commissioner of Securities
101 E. Wilson St.,
Madison, Wisconsin 53703
(608) 266-8557

Exhibit C:
Financial Statements

**Hungry Howie's Pizza & Subs, Inc. and
Subsidiaries**

**Consolidated Financial Report
with Additional Information
December 31, 2022**

Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

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Independent Auditor's Report

To the Board of Directors
Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Opinion

We have audited the consolidated financial statements of Hungry Howie's Pizza & Subs, Inc. and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2022, 2021, and 2020 and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, 2021, and 2020 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Company and to meet our 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 audits conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

To the Board of Directors
Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Plante & Moran, PLLC

March 29, 2023

Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Consolidated Statement of Operations

Years Ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Net Sales			
Royalties and other revenue	\$ 29,857,294	\$ 29,086,808	\$ 26,775,865
Franchise fee revenue	266,423	260,000	184,175
Restaurant equipment sales	1,014,603	1,087,639	1,117,733
Total net revenue	31,138,320	30,434,447	28,077,773
Cost of Sales - Restaurant equipment	916,858	1,008,865	1,017,050
Gross Profit	30,221,462	29,425,582	27,060,723
Operating Expenses	26,101,305	25,139,793	24,462,536
Operating Income	4,120,157	4,285,789	2,598,187
Nonoperating Income			
Sourcing income	2,407,568	2,137,033	2,029,548
Other fees	1,568,363	1,231,357	1,164,800
PPP loan forgiveness (Note 5)	-	629,100	-
Total nonoperating income	3,975,931	3,997,490	3,194,348
Net Income	\$ 8,096,088	\$ 8,283,279	\$ 5,792,535

See notes to consolidated financial statements.

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Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Consolidated Statement of Stockholders' Equity

Years Ended December 31, 2022, 2021, and 2020

	Common Stock (Note 7)	Additional Paid-in Capital	Retained Earnings	Total
Balance - January 1, 2020 (as restated)	\$ 7,000	\$ 33,810	\$ 2,030,394	\$ 2,071,204
Net income	-	-	5,792,535	5,792,535
Stockholder distributions	-	-	(4,241,910)	(4,241,910)
Balance - December 31, 2020 (as restated)	7,000	33,810	3,581,019	3,621,829
Net income	-	-	8,283,279	8,283,279
Stockholder distributions	-	-	(7,027,582)	(7,027,582)
Balance - December 31, 2021	7,000	33,810	4,836,716	4,877,526
Net income	-	-	8,096,088	8,096,088
Stockholder distributions	-	-	(6,846,726)	(6,846,726)
Balance - December 31, 2022	<u>\$ 7,000</u>	<u>\$ 33,810</u>	<u>\$ 6,086,078</u>	<u>\$ 6,126,888</u>

See notes to consolidated financial statements.

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Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Cash Flows from Operating Activities			
Net income	\$ 8,096,088	\$ 8,283,279	\$ 5,792,535
Adjustments to reconcile net income to net cash and restricted cash from operating activities:			
Depreciation	18,772	22,113	50,398
Bad debt recoveries	-	(10,000)	(13,000)
Amortization of intangible assets	-	-	751
PPP loan forgiveness	-	(629,100)	-
Changes in operating assets and liabilities that (used) provided cash and restricted cash:			
Accounts receivable	(449,331)	244,250	335,317
Prepaid expenses and other assets	(10,047)	(3,820)	19,469
Accounts payable	(300,717)	161,693	(53,932)
Accrued and other liabilities	(252,026)	(181,229)	(352,055)
Deferred franchise fees and vendor payments	(6,250)	(65,250)	(143,286)
Deferred vendor payments	(40,786)	-	-
Net cash and restricted cash provided by operating activities	7,055,703	7,821,936	5,636,197
Cash Flows from Investing Activities			
Purchase of property and equipment	-	(4,266)	(5,000)
Proceeds from disposition of property and equipment	-	5,000	-
Net cash and restricted cash provided by (used in) investing activities	-	734	(5,000)
Cash Flows from Financing Activities			
Proceeds from debt	-	-	629,100
Stockholder distributions	(6,846,726)	(7,027,582)	(4,241,910)
Net cash and restricted cash used in financing activities	(6,846,726)	(7,027,582)	(3,612,810)
Net Increase in Cash and Restricted Cash	208,977	795,088	2,018,387
Cash and Restricted Cash - Beginning of year	6,742,375	5,947,287	3,928,900
Cash and Restricted Cash - End of year	\$ 6,951,352	\$ 6,742,375	\$ 5,947,287

See notes to consolidated financial statements.

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Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2022, 2021, and 2020

Note 1 - Nature of Business

Hungry Howie's Pizza & Subs, Inc. and Subsidiaries (the "Company") is engaged in the franchising of restaurants in the United States, with the exception of Florida, under the name Hungry Howie's and related trademarks (the "Marks"). Under a licensing agreement with Hungry Howie's Pizza & Subs, Inc., a related entity, H. H. Pizza, Inc., has the nonexclusive, royalty-free right to use the Marks in connection with its restaurant services and the sale of goods, and all advertising and promotion thereof, including the right to sublicense in connection with such activities, in the state of Florida during the term of the license agreement. Such license is subject to certain quality requirements in connection with goods and services sold under the Marks. The Company is also engaged in the sale of restaurant equipment, acting as distributor between the supplier and franchisees.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Hungry Howie's Pizza & Subs, Inc. and its wholly owned subsidiaries: Hungry Howie's Dough Raiser Program, LLC and Hungry Howie's Gift Card Program, LLC. All material intercompany accounts and transactions have been eliminated in consolidation.

Cash

At December 31, 2022, 2021, and 2020, the Company had bank deposits and investments in excess of the amount insured by the Federal Deposit Insurance Corporation. The Company deems this a normal business risk.

The Company has restricted cash equal to the amount of unspent advertising funds on deposit. At December 31, 2022, 2021, and 2020, \$77,185, \$60,258, and \$179,400, respectively, of cash is restricted for this purpose.

The following table provides a reconciliation of cash and restricted cash reported within the consolidated balance sheet to the amounts reported on the consolidated statement of cash flows:

	2022	2021	2020
Cash	\$ 6,874,167	\$ 6,682,117	\$ 5,767,887
Restricted cash	77,185	60,258	179,400
Total	<u>\$ 6,951,352</u>	<u>\$ 6,742,375</u>	<u>\$ 5,947,287</u>

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The allowance for doubtful accounts on accounts receivable balances was \$50,000, \$50,000, and \$40,000 as of December 31, 2022, 2021, and 2020, respectively. The balance of accounts receivable at January 1, 2020 was \$1,712,537. Accounts receivable totaling \$0, \$17,368, and \$35,429 that had been previously reserved were collected during 2022, 2021, and 2020, respectively.

Property and Equipment

Property and equipment are recorded at cost. Both straight-line and accelerated methods are used for computing depreciation and amortization. Assets are depreciated over their estimated useful lives. Costs of maintenance and repairs are charged to expense when incurred.

Notes to Consolidated Financial Statements

December 31, 2022, 2021, and 2020

Note 2 - Significant Accounting Policies (Continued)

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

Revenue Recognition

The Company's revenue from operations mainly consists of franchise fees, royalties, advertising fees, and restaurant equipment sales. The Company sells individual franchisees the right to operate a Hungry Howie's restaurant within a defined territory using the franchise name. The initial term of franchise agreements is typically 10 years, with an option to renew for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

The Company has obligations to provide franchisees with the franchise rights to operate a Hungry Howie's restaurant, training, and site selection, as well as provide advertising, for which fees are charged. During 2021, the Company adopted Accounting Standards Update (ASU) No. 2021-02, *Franchisors - Revenue from Contracts from Customers (Subtopic 952-606): Practical Expedient*. As a result, the Company concluded that management training and site selection are one performance obligation related to preopening services due to the nature of these services. The remaining items represent a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to the preopening services and franchise right for each individual franchise. The preopening services revenue is recognized at the time the restaurant opens when the performance obligation has been settled. The franchise right revenue is recognized over the term of the respective franchise agreement beginning on the date the restaurant is opened. Transfer fees and renewal fees are recognized in the period the transfer or renewal agreement is executed. Income for royalties and advertising fees is recognized over the term of the respective franchise agreement as the underlying sales occur. Income for restaurant equipment sales is recognized at the time of delivery to the franchisee. Revenue on the consolidated statement of operations has been disaggregated accordingly.

Payment Terms

Initial franchise and transfer fees are due and typically paid when a franchise agreement is entered into and are nonrefundable. Royalties and advertising fees are paid on a weekly basis based upon a percentage of franchisee net sales. Franchise fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing contract liabilities. Additionally, amounts received for restaurant equipment in advance of delivery are recorded as contract liabilities. The portion of contract liabilities that is expected to be recognized as revenue within one year is classified as current on the consolidated balance sheet. Deferred revenue at January 1, 2022, 2021, and 2020 was \$480,250, \$545,500, and \$648,000, respectively.

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to operate a restaurant. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and advertising fees, as the transaction price is based on the franchisees' sales. The license of the franchise right is the predominant item to which the royalty relates; therefore, the variable consideration is recognized based on the actual amounts incurred each month.

Notes to Consolidated Financial Statements

December 31, 2022, 2021, and 2020

Note 2 - Significant Accounting Policies (Continued)

The Company allocates consideration to the preopening services based on the observable stand-alone selling price for management training and site selection services, which approximates the fair value of the service using the cost plus margin approach.

Reimbursable Promotional Fees

The Company sells certificates to various organizations, which can be redeemed at franchisee locations on a future date for a pizza. The Company is required to reimburse the franchisees for the cost of the pizza when certificates are redeemed. Reimbursable promotional fees are recorded as deferred revenue when sold and are recognized as revenue in proportion to the pattern of redemption exercised by customers. The Company recorded a liability for unredeemed issued certificates totaling \$54,551, \$195,448, and \$541,430 at December 31, 2022, 2021, and 2020, respectively, net of estimated allowances for certificates that are expected never to be redeemed of \$0, \$919,047, and \$625,874 as of December 31, 2022, 2021, and 2020, respectively.

Gift Cards

The Company sells gift cards in company- and franchise-owned restaurants. The Company does not charge administrative fees on unused gift card balances, and the gift cards have no expiration date. The Company determined that it does not have a legal obligation to remit the value of the unredeemed gift card under applicable state unclaimed property escheat statutes. Gift card sales are recorded as deferred revenue when sold and are recognized as revenue in proportion to the pattern of redemption exercised by customers. The Company recorded a liability for unredeemed issued gift cards totaling \$195,951, \$324,530, and \$266,072 at December 31, 2022, 2021, and 2020, respectively, which is presented within other accrued liabilities on the consolidated balance sheet.

Advertising Expense

Advertising expense is recorded against income during the year in which it is incurred. Advertising expense for the years ended December 31, 2022, 2021, and 2020 was \$16,282,591, \$15,804,671, and \$14,389,791, respectively.

Servicing Agreement

The Hungry Howie's National Advertising Fund, Inc. (National Advertising Fund) and the Hungry Howie's Advertising Fund, Inc. (Regional Advertising Fund) (collectively, the "Advertising Funds") are not-for-profit corporations formed to manage contributions from Hungry Howie's franchisees for national and regional marketing expenses. The Company collects contributions to these funds in accordance with the provisions of the franchise agreements and remits the contributions to the Advertising Funds to be expended for the collective advertising, marketing, and promotional benefit of franchisees, as provided in the agreements between Hungry Howie's and its franchisees.

Under the terms of a servicing agreement, the Company administers the activities of the Advertising Funds under the direction of the respective funds' boards. For the years ended December 31, 2022, 2021, and 2020, the Company incurred administrative costs totaling \$409,981, \$280,611, and \$276,860, respectively, which were billed to the National Advertising Fund. There were no amounts outstanding at December 31, 2022, 2021, or 2020.

Sourcing Fees

The Company receives sourcing fees from its vendors based on the amount of purchases made within a specified period. These funds are recognized as revenue when earned in accordance with the related contract.

Notes to Consolidated Financial Statements

December 31, 2022, 2021, and 2020

Note 2 - Significant Accounting Policies (Continued)

Other Fees

The Company includes the following amounts as nonoperating income from other fees in the consolidated statement of operations: fees charged to vendors that are used entirely for advertising and franchisee convention expense, fees charged to the National Advertising Fund under the servicing agreement described above, and late fees collected from franchisees for noncompliance related to royalties and financial statements, per the franchise agreements. Fees charged to the National Advertising Fund and late fees collected from franchisees are recognized as revenue when earned. Funds received from vendors to support advertising costs of the Company are recognized as revenue when earned in accordance with the related contract.

Advertising Fund Revenue and Expenses

Revenue and expenses relating to the Advertising Funds totaled \$15,425,189 for the year ended December 31, 2022, compared to \$14,931,662 for the year ended December 31, 2021 and \$13,636,744 for the year ended December 31, 2020.

Income Taxes

Pursuant to provisions of the Internal Revenue Code, the Company has elected to be taxed as an S corporation. Generally, the income of an S corporation is not subject to federal income tax at the corporate level, but rather the stockholders are required to include a pro rata share of the corporation's taxable income or loss in their personal income tax returns, irrespective of whether dividends have been paid. Accordingly, no provision for federal income taxes has been made in the accompanying consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Shipping and Handling Costs

Shipping and handling costs are recorded as costs of sales as they are incurred.

Sales Tax

Sales tax collected and remitted to state governments is netted against revenue in the Company's consolidated statement of operations.

Leases

The Company has an operating lease for a building, with a lease term of one year or less that the Company elected to account for as a short-term lease. As this lease is a short-term lease, it is not included in the right-of-use asset and lease liability. Total expense related to this short-term lease is disclosed in Note 3.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including March 29, 2023, which is the date the consolidated financial statements were available to be issued.

Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2022, 2021, and 2020

Note 3 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Revenue

For the years ended December 31, 2022, 2021, and 2020, the Company recognized royalty income from a company related through common ownership totaling \$981,010, \$954,971, and \$883,275, respectively. As of December 31, 2022, 2021, and 2020, this related entity owed the Company \$38,022, \$35,047, and \$31,674, respectively, for outstanding royalty payments.

Expenses and Reimbursements

The Company and a company related through common ownership pay each other for reimbursement of operating expenses. Reimbursements paid to this affiliate, net of receipts, for the years ended December 31, 2022, 2021, and 2020 were \$742,663, \$812,481, and \$630,480, respectively. There were no receivables or payables with this affiliate at December 31, 2022, 2021, and 2020.

Lease Commitment

The Company conducts its operations from premises leased on a month-to-month basis from an entity related through common ownership. The month-to-month lease agreement requires the Company to pay \$8,663 per month. Rent expense under the agreement was \$103,961, \$102,000, and \$102,000 per year for 2022, 2021, and 2020, respectively.

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2022	2021	2020	Depreciable Life - Years
Computer equipment	\$ 156,698	\$ 156,698	\$ 156,698	5-7
Furniture and fixtures	590,298	590,298	586,032	5-7
Software	729,962	729,962	729,962	3-5
Leasehold improvements	48,418	48,418	48,418	15-40
Construction in progress	-	-	5,000	-
Total cost	1,525,376	1,525,376	1,526,110	
Accumulated depreciation	1,477,714	1,458,942	1,436,829	
Net property and equipment	\$ 47,662	\$ 66,434	\$ 89,281	

Depreciation expense was \$18,772, \$22,113, and \$50,398 in 2022, 2021, and 2020, respectively.

Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2022, 2021, and 2020

Note 5 - Long-term Debt

Long-term debt at December 31 is as follows:

	2022	2021	2020
During 2020, the Company received a Paycheck Protection Program (PPP) loan in the amount of \$629,100. The PPP loan program was created under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and is administered by the Small Business Administration (SBA). Under the terms of this program, the loan may be fully or partially forgiven if the loan proceeds are spent on qualifying expenses and if staffing level and salary maintenance requirements are met. The Company may use the funds on qualifying expenses over a covered period of at least 8 weeks and up to 24 weeks.			
The Company applied for and received notification from the SBA of forgiveness of the entire loan on April 22, 2021. Accordingly, the Company has recognized \$629,100 received under the PPP loan program as nonoperating income on the consolidated statement of operations	\$ -	\$ -	\$ 629,100

Note 6 - Retirement Plan

The Company maintains a defined contribution profit-sharing plan covering substantially all employees. The plan provides for the Company to make 3 percent nonelective safe harbor contributions. The total contribution for the years ended December 31, 2022, 2021, and 2020 was \$119,327, \$103,169, and \$97,969, respectively. The plan also provides for the Company to make discretionary contributions. There were no discretionary contributions made in the years ended December 31, 2022, 2021, or 2020.

Note 7 - Common Stock

Common stock consists of 50,000 authorized shares of \$1 par value stock. As of December 31, 2022, 2021, and 2020, there were 7,000 shares issued and outstanding.

Note 8 - Adoption of New Accounting Pronouncement

As of January 1, 2022, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Update No. 2016-02, *Leases*. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations.

As a result of the adoption of the ASU, because the Company's only lease is short term, there is no right-of-use asset or lease liability recorded as of January 1, 2022. There was no impact on retained earnings as a result of adopting the new ASU.



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Independent Auditor's Report on Additional Information

To the Board of Directors
Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

We have audited the consolidated financial statements of Hungry Howie's Pizza & Subs, Inc. and Subsidiaries as of and for the years ended December 31, 2022, 2021, and 2020 and have issued our report thereon dated March 29, 2023, which contained an unmodified opinion on those consolidated financial statements. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidated schedule of operating expenses is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Plante & Moran, PLLC

March 29, 2023

Hungry Howie's Pizza & Subs, Inc. and Subsidiaries

Consolidated Schedule of Operating Expenses

Years Ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Advertising	\$ 16,282,591	\$ 15,804,671	\$ 14,389,791
Amortization	-	-	751
Bad debt expense	-	27,368	22,429
Bad debt recoveries	-	(17,368)	(35,429)
Computer supplies	222,560	221,236	184,077
Contributions	46,000	21,133	33,490
Depreciation expense	18,772	22,113	50,398
Dues and subscriptions	194,625	202,881	169,238
Training	22,565	15,933	33,644
Fundraiser expenses	50,331	1,435	9,057
Insurance	344,584	314,733	228,817
Meals and entertainment	22,360	14,333	15,174
Office expenses	62,265	48,537	43,126
Professional fees	451,022	475,281	325,704
Profit sharing	119,327	103,169	97,969
Rent - Building	103,961	102,000	102,000
Repairs and maintenance	11,240	9,363	9,456
Research and development	1,822	67,411	21,000
Salaries and wages	5,941,422	5,934,457	7,257,245
Subcontract services	971,951	930,233	797,954
Franchise materials, supplies, and shows	539,211	334,658	142,368
Payroll taxes	289,573	263,939	307,143
Property taxes	7,075	7,812	7,410
State income taxes	19,259	8,007	10,801
Telephone and telecommunications	31,430	32,280	28,462
Travel expenses	256,655	127,354	148,790
Vehicle expenses	90,704	66,824	61,671
Total operating expenses	\$ 26,101,305	\$ 25,139,793	\$ 24,462,536

Exhibit E: Franchise Agreement



FRANCHISE AGREEMENT

between

HUNGRY HOWIE'S PIZZA & SUBS, INC.

and

Store # _____

Effective: _____

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is between <<FRANCHISE OWNER>> (“Franchisee”, “Tenant”, “you” or “your”) and HUNGRY HOWIE’S PIZZA & SUBS, INC., a Michigan corporation (“Hungry Howie’s”, “we”, “our” or “us”), with offices located at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071.

RECITALS

A. Hungry Howie’s is in the business of franchising restaurants under the Marks “Hungry Howie’s®” and “HUNGRY HOWIE’S® Flavored Crust® Pizza”.

B. You recognize the benefits to be derived from being identified with the Marks and from utilizing the Hungry Howie’s System.

C. You desire to establish, own and operate a Hungry Howie’s Unit.

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

1. GLOSSARY

As used in this Agreement, capitalized terms shall be as defined as follows:

1.1 “ACH” shall mean Automated Clearing House, our current method of collecting and disbursing any and all funds from or to you.

1.2 “Accounting Period” shall mean a 28-day period, consisting of 4 consecutive Reporting Periods, ending on a day designated by Hungry Howie’s.

1.3 “ADA” shall mean the Americans with Disabilities Act of 1990, as amended, or similar federal, state or local law, code or regulation governing public accommodations for persons with disabilities.

1.4 “Administrative Fees” shall mean fees you must pay to us for certain acts or failures to act (collectively “Conduct”). Such Conduct may or may not rise to the level of a Franchisee Default, but over time or cumulatively it may cause devaluation of the Marks, the Restaurant, or the System, or cause Hungry Howie’s to incur additional administrative or out-of-pocket expenses. The Conduct for which Administrative Fees may be assessed includes, but is not limited to: failure to prepare Menu Items according to the Manual; failure to maintain standards of cleanliness; failure to purchase or lease inventory, supplies, or equipment from Designated Suppliers; or the unauthorized use of the Marks or Marketing materials. A schedule containing a description of the Conduct with the corresponding fee will be published in the Manual. We may periodically revise or amend this schedule in our reasonable discretion. An Administrative Fee will be between \$50.00 and \$500.00 for each act or failure to act.

1.5 “Alternate Architect” shall mean the licensed architect that you propose to us in place of the Designated Supplier for the preparation and completion of the Drawings.

1.6 “Alternate Architect Fee” shall mean a fee of \$2,500.00.

1.7 “Annual Meeting Fee” shall mean a fee of \$1,000.00.

1.8 “Anti-Terrorism Laws” shall mean any law prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by the USA Patriot Act or U.S. Executive Order 13244 or any and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and other governmental requirements in any way relating to terrorist acts and acts of war.

1.9 “Audit” shall mean an examination of the Restaurant’s Financial Statements and Financial Information in order to determine if you have paid any Recurring Fee in compliance with this Agreement and have otherwise complied with this Agreement.

1.10 “Audit Invoice” shall mean an invoice from us to you which shall be paid by you and which shall include an amount that is twice the Deficiency, and if the Deficiency exceeds 2% of the amount of the Recurring Fees as represented by you, the invoice shall also include the actual cost of such Audit to us.

1.11 “Casualty” shall mean any damage or destruction to the Restaurant due to fire, flood, earthquake or similar cause beyond your control.

1.12 “Claims” shall mean all losses, expenses, obligations, damages (actual, consequential, punitive, or otherwise) or costs which any Indemnified Parties may incur in connection with any action, proceeding, allegation, or other matter asserted against any Indemnified Parties, including all reasonable accountants’, arbitrators’, attorneys’ and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration or alternative dispute resolution, when such losses, expenses obligations, damages or costs originate or arise, directly or indirectly, in connection with or related to (i) your development, design, construction or operation of the Restaurant; (ii) your noncompliance or alleged noncompliance with any law, ordinance, rule or regulation concerning the development, design, construction or operation of the Restaurant (including the ADA and laws regulating employment practices and employee relations); (iii) the business you conduct under this Agreement; (iv) your breach of or failure to comply with any term or condition of this Agreement or any other agreement with us or our affiliates, including, without limitation, claims by employees, customers or other third parties, regardless of whether litigation, arbitration or alternative dispute resolution is commenced.

1.13 “COD” shall mean cash-on-delivery.

1.14 “Collateral” shall mean the Restaurant Assets together with all similar property now owned or later acquired additions, substitutions, replacements, proceeds and products thereof, wherever located, used in connection with the Franchise or the Restaurant.

1.15 “Community Marketing Fee” shall mean 1% of Gross Sales but in no event less than \$103 per Reporting Period.

1.16 “Confidentiality Agreement” shall mean **Attachment J** or any other substantially similar document that we may require you or the Owners to execute.

1.17 “Confidential Information” shall have the meaning as described in the Confidentiality Agreement.

1.18 “Continuing Training Program” is any type of additional, supplemental or refresher training program, sales meeting, operations meeting, or marketing meeting either requiring personal attendance by the Designated Franchisee and/or Operator or his or her attendance via telephone conference, web-based portal or other Electronic method which is designated by Hungry Howie’s from time to time in our discretion.

1.19 “Customer Information” shall have the meaning as described in Paragraph 9.9.

1.20 “Default Notice” shall mean written notice of either a Franchisor or Franchisee Default in sufficient detail for the defaulting party to reasonably understand the nature of the default along with a description of any action that must be taken to affect a cure, if a cure is permitted.

1.21 “Deficiency” shall mean any underpayment of Recurring Fees which is discovered or disclosed as a result of an Audit or otherwise.

1.22 “Designated Supplier” shall mean suppliers, distributors or vendors designated by us from time to time, in our sole discretion, and from which you must purchase, lease or enter into other agreements for certain products or services.

1.23 “Designated Franchisee” shall mean a person who (a) has at least 15% of Ownership Interest, (b) has oversight over the general conduct of your business, including Employment Practices and maintaining and operating the Restaurant in compliance with Paragraph 3.13, (c) is solely responsible for communicating with us (or our affiliates or a Designated Supplier) in accordance with Paragraph 10.2, and (d) is designated by you to be the individual to which we may provide notices to you and any Guarantors pursuant to Paragraph 21.

1.24 “Designated Franchisee Training Program” shall mean training that (a) is required by Hungry Howie’s, (b) is designed and intended to protect and maintain the System and the Marks, and (c) the Designated Franchisee must successfully complete prior to the opening of the Restaurant or as otherwise required by this Agreement. Such training may include providing instruction on standards, specifications and techniques for product preparation, handling, packaging, delivery, marketing, business development, sales, customer service, financial and inventory management and general operations. This training may also consist of completing production and delivery tasks and may require the Designated Franchisee to demonstrate sufficient proficiency and knowledge so as to be able to instruct your employees. The Designated Franchisee must also demonstrate that he has learned and retained such information.

Although this training may include information relating to your or the Restaurant’s employees, such information is provided for information purposes only, as you exclusively control Employment Practices of your or the Restaurant’s employees.

1.25 “Development Rights” shall mean rights granted by us to you to establish, open and operate the Restaurant and a specified number of Hungry Howie’s Units in a specified geographic area during a limited amount of time.

1.26 “DMA” or “Designated Market Area” shall mean a group of counties that form a geographic area as defined by Nielsen Media Research based upon television station viewing dominance, but which shall be determined in our sole and exclusive discretion.

1.27 “Drawings” shall mean a detailed and professionally prepared floor plan, architectural and construction drawings for the Restaurant including dimensions, interior layout, exterior design, material specifications, equipment, fixtures, furniture, signage and decor.

1.28 “Effective Date” is the date this Agreement is signed by an authorized representative of Hungry Howie’s on the signature page to this Agreement.

1.29 “EFT” shall mean Electronic funds transfer.

1.30 “Electronic” shall mean relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

1.31 “Employment Practices” shall mean your labor relations and practices related to your or the Restaurant’s employees, including, among other things, employee selection, training, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

1.32 “FI Late Fee” shall mean a fee of \$250.00 per Accounting Period or any fraction thereof.

1.33 “Financial Information” shall mean all of your books, records, tax returns and other financial information relating to the Franchise or the Restaurant and those of the Owners, if applicable. Financial Information does not include any records or information relating to your or the Restaurant’s employees, as you control exclusively your Employment Practices.

1.34 “Financial Statement” shall mean an income statement and balance sheet prepared as prescribed by us in the Manual.

1.35 “Financing Statement” shall have the meaning as defined in Article 9 of the Uniform Commercial Code.

1.36 “Force Majeure” shall mean an extraordinary event or circumstance beyond the control of you or Hungry Howie’s, such as war, strike, criminal act, riot, labor walkout, material or ingredient shortage, act of terrorism or Act of God (e.g. fire, flood, earthquake, volcano, zombie apocalypse, time shift, fracture in the time-space continuum or invasion by extraterrestrials).

1.37 “Franchise” shall mean your rights and obligations under this Agreement or similar rights and obligations granted to others under a Franchise Agreement.

1.38 “Franchise Agreement” shall mean an agreement entered into by Hungry Howie’s which grants the same or similar rights and obligations as under this Agreement. A Franchise Agreement may refer to agreements entered into by Hungry Howie’s with other persons or entities, the terms and conditions of which may vary widely and substantially from those in this Agreement.

1.39 “Franchise Disclosure Document” shall mean the franchise disclosure document delivered to a prospective franchisee as required pursuant to Federal Trade Commission Rule 436 or similar state law or regulation requiring pre-sale disclosures to a franchisee of Hungry Howie’s.

1.40 “Franchise Fee” shall mean a fee of \$25,000.00.

1.41 “Franchise Fee for Veterans” shall mean a fee equal to 50% of the Franchise Fee.

1.42 “Franchise Grand Opening Fee” shall mean a fee of \$15,000.00.

1.43 “Franchisee Default” shall have the meaning in Paragraph 18.5.

1.44 “Franchisor Default” shall mean that we have committed a material breach of this Agreement.

1.45 “General Release” shall mean **Attachment I** to this Agreement or any other substantially similar document that we may require you or the Owners to execute.

1.46 “Gift Card Program” shall mean a gift card, loyalty or reward program(s), or other similar redemption program(s) for customers, which may be designated by us from time to time in the Manual.

1.47 “Gross Sales” shall mean all sales or revenue arising out of the Restaurant, including those: (i) from on-site and off-site sales; (ii) from fees and charges received for deliveries; (iii) from the value equal to redeemed gift cards, loyalty cards or other promotional or redemption programs; (iv) orders that originate in, at, or from the Restaurant, whether delivery or performance is made from the Restaurant or some other place; (v) that are made or originated by mail, telephone, internet or any other form of Electronic commerce, or facsimile orders received or filled in, at or from the Restaurant; (vi) that are made or performed by means of mechanical or other vending devices at the Restaurant; (vii) which a person, in the normal and customary course of business, would credit or attribute to your operation of the Restaurant; or (viii) from sales made or revenue received from a kiosk. Gross Sales shall be calculated without reserve or deduction for your inability or failure to collect, any amounts owed to you or for any fees, payments, discounts or consideration made to or on behalf of any credit, debit, gift card program, customer loyalty program, Electronic payment processing system or third-party delivery or ordering service. Gross Sales shall not include: (i) cash or credit refunds actually provided to customers on transactions otherwise included in Gross Sales; (ii) sales of fixtures, machinery and equipment, which are not sold in the ordinary course of business; (iii) amounts which are separately stated and collected from customers by a you on behalf of any governmental entity for sales or other such tax; (iv) amounts of gift card sales, excluding those redeemed gift cards as described above; and (v) bottle deposits/return fees, where applicable by law.

1.48 “Guarantors” shall mean those Owners or other persons or entities who sign the Guaranty.

1.49 “Guaranty” shall mean **Attachment D** to this Agreement or any other substantially similar document that we may require you or the Owners to execute.

1.50 “Hazardous Materials” shall have the meaning as described in Paragraph 3.4.

1.51 “HOME” shall mean the Howie’s Online Management Exchange or any similar system that we may designate as its supplement or replacement.

1.52 “Hours of Operation” shall mean the days and hours that the Restaurant must remain open and operating to the public and serving the Menu Items, as prescribed by Hungry Howie’s in the Manual.

1.53 “Hungry Howie’s Unit” shall mean, other than the Restaurant, a Hungry Howie’s carry-out and delivery unit, or a sit-down restaurant offering all Menu Items and not a Non-Traditional Restaurant.

1.54 "Indebtedness" shall mean:

- (i) All amounts due to us under this Agreement or otherwise by you;
- (ii) All sums which we may, at our option, expend or advance on your behalf 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;
- (iii) All expenses, including reasonable attorneys' fees, which we incur for collecting any or all the Indebtedness or in enforcing or protecting our rights under this Agreement; and
- (iv) All of your other present or future, direct or indirect, absolute or contingent, liabilities or obligations, to us, or our affiliates or third-parties, however created.

1.55 "Indemnified Parties" shall mean us, our affiliates, and our and their respective owners, directors, officers, employees, agents, lawyers, consultants, representatives, successors, and assigns.

1.56 "Insurance Fee" shall mean a fee of \$250.00 owed by you to us for each Accounting Period or any fraction thereof.

1.57 "Interest Fee" shall mean 1.25% of the applicable outstanding amount owed by you to us for each Accounting Period or any fraction thereof, but in no event greater than allowed by applicable law. In the event it is determined that the Interest Fee is greater than allowed by applicable law, the Interest Fee shall be reduced to the greatest amount that is allowable by applicable law.

1.58 "Landlord" shall mean the person or entity with whom you enter into a Lease for the Restaurant.

1.59 "Late Fee" shall mean a fee equal to 5% of any Recurring Fee.

1.60 "Lease" shall mean the lease or license agreement pursuant to which you occupy the premises where the Restaurant is approved by us to be located.

1.61 "Local Marketing" shall mean Marketing that we decide is meant to generally increase the goodwill of the Marks and the Restaurant within the Restaurant's general trading area. However, we may decide that the goodwill of the Marks and the Restaurant within the Restaurant's general trading area would benefit from pooling some or all of your Local Marketing Fee with some or all of the local marketing fees of other Hungry Howie's Units. Such pooling may be done by DMA, geographical area, or by a demographic, psychographic, or other similar segmentation. Local Marketing may include but is not limited to broadcast television, outdoor advertising, radio, sponsorships of sports teams, print advertising, and the utilization of any Electronic or other emerging media or promotional tactics, such as digital or social media. Local Marketing does not include the purchase of any car top, interior or exterior signage for the Restaurant. We will decide whether something is "Local Marketing". Local Marketing shall be administered by the Local Marketing Fund in accordance with Paragraph 12.

1.62 "Local Marketing Fee" shall mean the portion of the Marketing Fee designated for Local Marketing and contributed to the Local Marketing Fund in accordance with Paragraph 12.

1.63 “Local Marketing Fund” shall mean a fund to collect Marketing Fees collected from you and used for Local Marketing which may be combined with money collected from other franchisees and which is established and administered with Paragraph 12.

1.64 “Manner of Payment” shall mean EFT or ACH or any other manner of payment of legal tender that Hungry Howie’s may designate from time to time.

1.65 “Manual” shall mean any set or compilation of publications, documents, memoranda, notices or written communications in any form, including without limitation print or Electronic media, issued by Hungry Howie’s which describes any standards, specifications, policies and requirements concerning any aspect of the System, the Marks, the operation of the Restaurant including but not limited to such areas as design, construction, operations, accounting, Marketing and requirements to use Designated Suppliers.

1.66 “Marketing” shall mean administering, directing, conducting, developing or implementing the preparation of advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which Hungry Howie’s decides will benefit the Marks and the System, a geographic region, the Restaurant, a Hungry Howie’s Unit or Non-Traditional Restaurant, including, among other things: (i) preparing and executing advertising campaigns in various media; (ii) utilizing any Electronic or other emerging media or promotional tactics; (iii) preparation and distribution of direct mail advertising; (iv) production and broadcast of television, radio, television and Internet commercials or advertisements; (v) public relations; (vi) market and consumer research; (vii) product development; (viii) in-store sales promotions; (ix) promotional items; (x) gift cards or certificates; (xi) loyalty programs; (xii) online ordering; (xiii) telemarketing; (xiv) enterprise reporting; (xv) customer satisfaction surveys; (xvi) sweepstakes; (xvii) bounce back promotions; (xviii) marketing meetings and conventions for franchisees; and/or (xix) the hiring of advertising or public relations agencies, consultants or experts (including law firm or in-house counsel to review advertising and related materials) to provide services or assist in any of the above.

1.67 “Marketing Fee” shall mean a fee equal to 7% of your Gross Sales, but in no event less than \$721.00 per Reporting Period.

1.68 “Marketing Funds” shall mean the National Marketing Fund and Local Marketing Fund.

1.69 “Marks” or “Trademarks” shall mean all Hungry Howie’s trade names, service marks and trademarks, whether currently existing, developed or acquired in the future, together with any other symbols, emblems, signs and insignias that Hungry Howie’s has adopted and designated, or subsequently acquires, adopts, develops or designates, for use in connection with the System.

1.70 “Menu Items” shall mean all food, beverages, products or services permitted or designated by us to be sold in the Restaurant in accordance with the Manual.

1.71 “National Marketing” shall mean Marketing which is meant to generally increase the goodwill associated with the Marks or the System but shall not be construed to require that the Restaurant, a geographic region, any Hungry Howie’s Unit, or Non-Traditional Restaurant benefits directly, pro rata, or equally from such Marketing and which is administered by the National Marketing Fund in accordance with Paragraph 12.

1.72 “National Marketing Fee” shall mean the portion of the Marketing Fee designated for National Marketing and contributed to the National Marketing Fund in accordance with Paragraph 12.

1.73 “National Marketing Fund” shall mean a fund to collect Marketing Fees used for National Marketing which are collected from you and which may be combined with similar funds collected from other franchisees and which is established and administered in accordance with Paragraph 12.

1.74 “New Agreement” shall mean the then-current form of Hungry Howie’s Franchise Agreement which is being used at the time of a renewal, assignment or similar event or at the time a franchise agreement is signed pursuant to Development Rights, along with other related agreements then being offered by us to similarly situated franchisees at the time of a renewal, assignment or similar event. Such New Agreement, if executed by you for the Restaurant, will in all respects supersede this Agreement and other related documents and may contain materially different terms and conditions, including differing amounts for royalty and advertising fees.

1.75 “Non-Traditional Restaurant Addendum” shall mean an addendum to this Agreement negotiated and executed between the parties for a Non-Traditional Restaurant, which will set forth any deviations from the Agreement. If agreed to in writing by us that such a Non-Traditional Restaurant shall not offer delivery service, such Non-Traditional Restaurant shall not have any protection of the Territory as described in Paragraph 3.16(a) and you will not receive an exclusive territory.

1.76 “Non-Traditional Restaurant” shall mean a Hungry Howie’s restaurant which is or intended to be established, owned and operated in accordance with the System and in accordance with this Agreement as amended by the Non-Traditional Restaurant Addendum in a location such as an airport, train, bus or subway station, toll road facility, highway rest stop, stadium, arena, amusement park, fair, carnival, gas station, convenience store, hotel, motel, school, college or university, office building, factory, hospital, shopping mall or food court and other similar retail facility, penal institutions, institutional food service facilities or other non-traditional venues. Non-Traditional Restaurants may offer limited or no delivery service as agreed to in writing by us.

1.77 “NSF Fee” shall mean an amount equal to any bank, financial institution or third-party charges that we incur as a result of the tender of a check, EFT or ACH and returned or rejected for any reason whatsoever by a bank or financial institution.

1.78 “Offer” shall mean a written offer that, if accepted, would constitute a legally binding contract and which sets forth all material terms and conditions of any proposed Transfer.

1.79 “Other Fee” shall mean any fee chargeable or payable by you under this Agreement other than a Recurring Fee or the Interest Fee.

1.80 “Owner” shall mean, in cases where you are not an individual, your stockholders, partners or members that have a legal or beneficial interest in you.

1.81 “Operator” is an individual you identify who is vested with sufficient decision-making authority to make decisions on your behalf that are essential to the Restaurant’s effective and efficient operation on a day-to-day basis and shall be personally involved in the regular conduct, management and operation of the Restaurant on a regular, frequent, and ongoing basis.

You shall designate a person as the Operator. Such individual shall be designated as provided on **Attachment B**.

1.82 "Operator Training Program" shall mean training that (a) is required by Hungry Howie's, (b) is designed and intended to protect and maintain the System and the Marks, and (c) that the Operator must successfully complete prior to the opening of the Restaurant or as otherwise required by this Agreement. Such training may include, without limitation, providing instruction on standards, specifications and techniques for product preparation, handling, packaging, delivery, marketing, business development, sales and customer service, financial and inventory management and general operations. This training may also consist of completing production and delivery tasks and may require the Operator to demonstrate sufficient proficiency and knowledge so as to be able to instruct your employees. The Operator must also demonstrate that he has learned and retained such information.

Although this training may include information relating to your or the Restaurant's employees, such information is provided for information purposes only, as you exclusively control Employment Practices of your or the Restaurant's employees.

1.83 "Ownership Interest" shall mean your legal, equitable or beneficial right, title or interest in stock, partnership interest or membership interest.

1.84 "Packaging" shall mean only such containers, boxes, cartons, bags, napkins, spoons, forks and knives as are permitted or required by the System.

1.85 "Payment Date" is defined as a day designated by Hungry Howie's from time to time following the Reporting Period for which a Recurring Fee or Other Fee is due.

1.86 "PCI DSS" means payment card industry data security standards.

1.87 "POS System" shall mean an Electronic point of sale system, whether physically located at the Restaurant or in a virtual location, which may consist of one or more computer systems, hardware, software, cloud-based services, software-as-a-service, dedicated telephone, power and data lines, modems, high speed Internet access (or alternative communications line designated by, or permitted by us), cables, printers and other computer-related accessories and peripheral equipment and which may provide point of sale information, customer databases and retention services, and perform accounting, marketing, and inventory functions as specified by us in accordance with the Manual.

1.88 "Premises" shall mean the location of the Restaurant.

1.89 "Proposed Location" shall mean a location which you present to us for approval to move or relocate the Restaurant after the Restaurant has been opened and operating for business.

1.90 "Recurring Fee" shall mean the Royalty Fee, Marketing Fee, or, if instituted in accordance with Paragraph 9.10, the Technology Fee.

1.91 "Re-Opening Marketing Fee" shall mean a fee of no more than \$15,000.00, as decided by us, taking into consideration relevant factors, including how long the store may have been closed, sales levels at closure or time of Transfer, reputation and goodwill associated with the Restaurant in local community, reason for closure or Transfer, and the general conditions in the marketing area and industry

1.92 “Re-Inspection Fee” shall mean a fee of \$2,500.00 plus our out-of-pocket expenses.

1.93 “Relocation Fee” shall mean a fee not to exceed \$7,500.00.

1.94 “Renewal Fee” shall mean a fee of \$1,000.00.

1.95 “Renewal Notice” shall mean a written notice of your intent to exercise your option to renew this Agreement in accordance with Paragraph 4.3.

1.96 “Replacement Training Fee” shall mean a per person fee of 25% of the then-current Franchise Fee.

1.97 “Reporting Period” shall mean Monday through Sunday of each week.

1.98 “Restaurant” shall mean your Hungry Howie’s carry-out and delivery restaurant which is or intended to be established and operated in accordance with this Agreement and the System, for a typical store front or free-standing restaurant which operates carry-out, delivery and/or sit-down service for retail customers specializing in offering the full range of services and Menu Items under the System.

1.99 “Restaurant Assets” shall mean any and all assets used in connection with and regularly located at the Restaurant including any furniture, fixtures, equipment, signage, decorations, leasehold improvements and betterments, telephone numbers, any right, title or interest to any personal property leases or the Lease or other right to occupy the premises of the Restaurant and any right, title or interest to this Agreement or the Franchise.

1.100 “Right of First Refusal” shall mean our right to acquire the Restaurant Assets or Ownership Interest prior to any Transfer and in accordance with the terms and conditions in Paragraph 17.1.

1.101 “Royalty Fee” shall mean a fee equal to 5.5% of your Gross Sales for each Reporting Period, but in no event less than \$360.00 per Reporting Period.

1.102 “Security Interest” shall have the meaning as defined in Article 9 of the Uniform Commercial Code.

1.103 “Securities Offering” shall mean the direct or indirect offer, sale or issuance of any securities (including, without limitation, common or preferred stock, bonds, debentures, general or limited partnership interests, membership interests or membership units, whether certificated or un-certificated) which are subject to any state or federal law governing the offer, sale or issuance of any such securities.

1.104 “Securities Offering Documents” shall mean any offering prospectus, literature, materials or documents to be used in a Securities Offering or required by federal or state law for any Securities Offering, including any literature, materials or documents to be used in any exempt securities offering.

1.105 “Seller” shall mean a Franchisee or an Owner who becomes an intended or actual seller, transferor or assignor of all or portion of any Restaurant Assets or Ownership Interest.

1.106 “Seminar Fee” shall mean a fee equal to \$250.00.

1.107 “Social Media” shall mean any social or professional networking channel or Internet site, web page, virtual world, audio, video, visual or file sharing site, blog, messaging system, email account, user name, text address, mobile application, or other Electronic, mobile or Internet presence that uses or displays any of the Marks or that promotes, mentions or discusses the Marks or any products or services of the Restaurant or the System.

1.108 “System” shall mean the distinctive style of restaurant operated and identified by the Marks for the sale of food, beverages and other products and services, including but not limited to the sale of Menu Items, the utilization of designated and prescribed equipment, building layouts, designs, trade dress, methodologies and marketing materials. Among other things, the System emphasizes prompt and courteous service in a clean and wholesome atmosphere, utilizing standards, specifications, policies and requirements as are expressed in the Manual and changed, altered or amended by us from time to time in our sole and absolute discretion.

1.109 “Technology Fee” shall mean, if instituted, a fee equal to no more than 0.25% of your Gross Sales, but in no event less than \$25.00 per Reporting Period.

1.110 “Technology System(s)” shall mean any POS System, Gift Card Program, or other Electronic system, device, product or service, including computers, equipment, hardware, software, cloud-based services, software-as-a-service, communication devices, tablets, internet service providers and connections, online, text or voice ordering systems or services, including call centers (which permits customers to place, track or pay for orders using the Internet or other Electronic media), customer satisfaction and payment processing systems, as may be described in the Manual.

1.111 “Term” shall be a period of time beginning on the Effective Date and ending 10 years from the date on which you open the Restaurant for business.

1.112 “Territory” shall mean a one mile radius surrounding the Restaurant unless within such mile there is a population density of 25,000 or more people or a commuter-adjusted daytime population density of 25,000 or more people, as based on the most current United States census. In such case, the territory may be reduced based on a case-by-case basis through negotiations of the parties and which will be in writing as an addendum to this Agreement.

1.113 “Training Fee” shall mean a fee up to \$5,000.00.

1.114 “Training Fee – Remote” shall mean a fee up to \$10,000.00.

1.115 “Transfer” shall mean any sale, transfer or assignment of any Restaurant Assets or Ownership Interest. A Transfer shall also include any changes in an Ownership Interest by: (i) issuing, transferring or assigning any stock, membership interest or partnership interest; (ii) permitting the conversion of stock to another class of stock; (iii) allowing any person or entity to become a partner or member or to increase his membership or partnership interest in the Franchisee; or (iv) converting a membership interest or partnership interest to another class of membership or partnership interest.

1.116 “Transfer Fee” shall mean a fee equal to 50% of the then-current franchise fee unless: (i) the Transferee is an existing Owner of another Hungry Howie’s Unit and has previously successfully completed the Initial Training Program in which case the Transfer Fee shall be 25% of the then-current franchise fee; or (ii) the Transferee is an existing Owner of the Restaurant and has completed the Initial Training Program in which case the Transfer Fee shall be 5% of the then-current franchise fee.

1.117 “Transferee” shall mean any purchaser, transferee or assignee of any Restaurant Assets or Ownership Interest.

1.118 “UCC” shall mean Uniform Commercial Code.

1.119 “Upgrades” shall mean any renovation, remodeling, addition or substitution in the Restaurant including Technology Systems, equipment, furniture, fixtures, signage or decorations which we may require.

1.120 “Upgrade Deadline” shall be a date that is 180 days from the date on which we send you written notice of the Upgrades.

1.121 “Upgrade Oversight Fee” shall mean a fee equal to 15% of the cost of furnishing and installing any or all of the Upgrades which is paid by you to us.

1.122 “Website” shall mean a website, Intranet or extranet site that we make available to you.

2. GRANT AND NATURE OF FRANCHISE

Subject to the terms of this Agreement, you are granted a non-exclusive license to utilize the System, including the Marks and the Manual, to establish, own and operate the Restaurant and to benefit from the foregoing, at the single location specified in Paragraph 3. Nothing contained in this Agreement shall be construed to authorize or permit you to use the System or the Marks at any other location or for any other purpose. We retain the exclusive ownership of all rights, titles and interest in and to, including any goodwill, standard operating procedures and policies associated with the System and the Marks. You shall operate the Restaurant according to the Manual.

If this Agreement is for the establishment of a Non-Traditional Restaurant, the parties will enter into a Non-Traditional Restaurant Addendum. If this Agreement is for the establishment of a Non-Traditional Restaurant, the term Restaurant as used in this Agreement shall refer to Non-Traditional Restaurant.

3. LOCATION DEVELOPMENT AND TERRITORY

3.1 LOCATION OF THE RESTAURANT: The location of the Restaurant shall be in the geographic area described on **Attachment A**. The location shall be selected by you with our consent and approval. You shall not share the Premises occupying the Restaurant with any other business, nor shall you engage in co-branding without our prior written approval. Our consent and approval of the location of the Restaurant shall not be unreasonably withheld. The consent and approval of the location of the Restaurant by us does not constitute a guarantee, recommendation, warranty or endorsement of the location or the likelihood of the Restaurant’s success. Only the business of the Restaurant may be conducted in the Restaurant.

3.2 ASSISTANCE WITH LOCATION SELECTION: We shall provide you general advice, guidance and assistance in the selection of a location for the Restaurant. We may provide varying degrees of advice, guidance and assistance, on a case-by-case basis, based on our determination of your need or request for our advice, guidance or assistance, including such factors as your previous experience with selecting retail restaurant locations. Generally, you are expected to present appropriate locations for our approval in accordance with the provisions of Paragraph 3.2 of this Agreement.

We shall expend such time and effort, and incur such expenses, as we believe to be reasonably necessary to evaluate the locations proposed by you for the Restaurant. Our consent or approval of a location or any advice, guidance, assistance, review or approval of a location that we may provide is for the sole benefit of Hungry Howie's and the benefit of the System and is not intended to express, warrant or imply: (i) a guarantee of success or profitability of the Restaurant; (ii) a judgment as to the likelihood of success that you may achieve at the location; (iii) the desirability of such location compared to other locations that might be available; (iv) that you secured the most advantageous terms and conditions of the Lease; or (v) any legal, accounting or tax advice as to the terms and conditions of the lease, sublease or purchase of a location. You shall not rely on Hungry Howie's for such purposes.

We may require you to utilize the services of a Designated Supplier to assist in the location selection process or negotiations of the Lease. In the event that we require you to utilize such a Designated Supplier we shall notify you in writing of any associated fees that you must pay.

3.3 LEASE: We shall provide you with general advice, guidance and assistance in the negotiation of the Lease. Before you enter into the Lease, Hungry Howie's must approve the Lease. Promptly after the Lease has been executed, you shall furnish us with a fully executed copy of the Lease. Our consent or approval of the Lease, or any advice, guidance, assistance, negotiations, review or approval of the Lease that we may provide is for the sole benefit of Hungry Howie's and the benefit of the System and is not intended to express, warrant or imply: (i) a guarantee of success or profitability of the Restaurant; (ii) a judgment as to the likelihood of success that you may achieve at the location; (iii) the desirability of a location compared to other locations that might be available; (iv) that you secured the most advantageous terms and conditions of the Lease; (v) that the location is in or can be made to be in compliance with applicable building, safety, disability or health law, code or ordinance; or (vi) any legal, accounting or tax advice as to the terms and conditions of the Lease, sublease or purchase of a location. You shall not rely on Hungry Howie's for such purposes.

3.4 REQUIRED LEASE PROVISIONS: The term of the Lease, including options to renew at a fixed or determinable rate, must be for a term of not less than 10 years. The Lease must contain a provision making the Lease subject to our review and approval, and must also contain, at our discretion, all provisions included in **Attachment H**.

3.5 ARCHITECTURAL DRAWINGS: After the Restaurant location has been approved by us and we have received a copy of the Lease, we will provide you with general advice, guidance and assistance in developing the Drawings. We will name one or more Designated Suppliers which shall be an architect licensed in the state where the Restaurant is located to prepare the Drawings. You shall contract directly with such Designated Supplier and pay all costs for the preparation of the Drawings. The Drawings must be approved by us before construction begins. This approval will not be unreasonably withheld. Providing you a Designated Supplier and review and approval of the Drawings is to assist you in determining if the Drawings are in conformity to the System, and does not warrant or imply that the Drawings are complete or accurate, or that they comply with your Lease or applicable federal, state or local building, safety, disability or health laws, codes or ordinances, including the ADA, as compliance with such laws is your sole responsibility. Prior to seeking our approval of the Drawings, we may require you to certify to us that the Drawings comply with the ADA.

Despite our designation of a licensed architect, you may request in writing to use an Alternate Architect. Any request must be in writing and state your name and the name and address of the Alternate Architect. Within 30 business days after the request, we will inform you if the Alternate Architect has been approved. While we may investigate whether the Alternate Architect can competently complete the work, our investigation or approval shall not be considered a representation or guarantee that the Alternate Architect you requested will provide service in accordance with any professional or industry standards or applicable laws. We will have an architect approved by us review the floor plan and drawings prepared by the Alternate Architect. You must pay our designated architect the fee it charges to review the Alternate Architect's work. No fee is paid to us to secure approval. There is no procedure to revoke Alternate Architect approval. However, if we approve an Alternate Architect and later determine that such Alternate Architect is not performing competently or in a timely manner, we will notify you in writing that you must change the Alternate Architect within a reasonable period of time.

3.6 CONSTRUCTING AND EQUIPPING THE RESTAURANT: After the Drawings have been approved by us you shall, at your own expense, construct and equip the Restaurant in accordance with the Drawings. You will comply with all federal, state and local laws, codes and regulations, including the applicable provisions of the ADA regarding the construction, design and operation of the Restaurant. You are required to use a contractor licensed in the state in which the Restaurant is located with commercially adequate general liability and property damage insurance. We may require that you provide us reasonable evidence of these requirements.

You will provide us notice within 3 days after construction of the Restaurant is completed. We will then be permitted to conduct an on-site inspection and review of the Restaurant to determine if the Restaurant has been constructed in conformity to the approved Drawings and the System. You will make all changes, alterations, substitutions and additions to bring the Restaurant in strict conformity with the Drawings and the System. Our inspection and review of the Restaurant is to assist in determining if the Restaurant was constructed in general conformity to the Drawings and the System, and does not warrant or imply the quality or manner of construction of any improvements and betterments, the condition or installation of any furniture, fixtures or equipment, or that the construction complies with the Lease or applicable federal, state or local building, safety, disability or health laws, codes or ordinances, including the ADA, as compliance with such laws is your sole responsibility. If the Restaurant does not conform to the Drawings and more than one on-site inspection is required, you shall pay us the Re-Inspection Fee for each additional on-site inspection required in accordance with this Paragraph 3.6. Hungry Howie's may permit or require you, in our discretion, to furnish photos, videos or other documentation of the Restaurant in a manner prescribed by us.

Prior to opening the Restaurant, we may require you, at your sole expense, to have a qualified architect, engineer or contractor certify to us, on your behalf, that the construction and build-out of the Restaurant has complied with all applicable provisions of the ADA on a form reasonably required by us.

You must acquire and install at the Restaurant equipment and fixtures as specified in the Manual. Specifications in the Manual may include the manufacturer and model number of any equipment.

You shall install and erect at the Restaurant such signs, emblems and caricatures as are prescribed by Hungry Howie's from time to time, in accordance with our specifications, subject to local ordinances. You shall not display any signs, emblems or caricatures at the

Restaurant other than those prescribed or approved by Hungry Howie's. Signs shall be purchased from a Designated Supplier.

3.7 OPERATOR TRAINING PROGRAM: Prior to opening the Restaurant to the public and before receiving approval from us to open the Restaurant to the public, the Operator must complete all aspects of our then-current Operator Training Program (including our requirements for attendance and punctuality). You remain solely responsible to train the Operator, consistent with Paragraph 10.8 [Employee Relations] and you shall be responsible for Employment Practices. If the Operator fails to successfully complete our then-current Operator Training Program to our reasonable satisfaction, we may, at our discretion, require you to name a new Operator and, at your sole cost and expense, require the new Operator to successfully complete our then-current Operator Training Program to our reasonable satisfaction or we may terminate this Agreement in accordance with Paragraph 18.

At the end of each phase of the Operator Training Program, the Operator may be required to demonstrate proficiency in the areas covered by each phase of the Operator Training Program. We may at our discretion, reduce, eliminate or increase the training period or classes of the Operator Training Program based on the extent to which the Operator is able to exhibit the skills or knowledge that meet our requirements.

The Operator Training Program will be conducted at location(s) and time(s) as designated by us and may be conducted in person or remotely, via an Electronic-based communication platform, as designated by us. If all or a portion of the Operator Training Program is conducted remotely via an Electronic-based communication platform, the Operator must be able to connect to such designated communication platform audibly and visually at your sole cost and expense. Other than the cost of the training instructor, instruction facilities and training materials, you will pay all expenses incurred by you, the Operator or any of your employees attending the Operator Training Program, including wages, travel, meals and lodging. The training instructor may vary and/or change.

After the Restaurant opens for business to the public, we may, at our discretion, provide additional assistance for a period of approximately 1 to 2 weeks.

At our discretion, we may make changes or modifications to the Operator Training Program without notice to you. We make no representations or warranty that upon your completion of the Operator Training Program you will be adequately trained to operate the Restaurant or that you will be successful in the operation or any aspect of the Restaurant.

Only the Operator may attend the Operator Training Program. We may, at our discretion, permit additional attendees and assess the Training Fee for such additional attendees. The Training Fee must be paid by you prior to the commencement of the Operator Training Program.

We may, at our sole discretion, permit the Operator Training Program to take place outside of the Metro Detroit, MI area and assess the Training Fee – Remote for such training. The Training Fee – Remote must be paid by you prior to the commencement of any such training program.

3.8 DESIGNATED FRANCHISEE TRAINING PROGRAM: Prior to opening the Restaurant to the public and before receiving approval from us to open the Restaurant to the public, the Designated Franchisee must complete all aspects of our then-current Designated Franchisee

Training Program (including our requirements for attendance and punctuality). If the Designated Franchisee fails to successfully complete the Designated Franchisee Training Program to our reasonable satisfaction, we may, at our discretion, require you to name a new Designated Franchisee and, at your sole cost and expense, require the new Designated Franchisee to successfully complete the Designated Franchisee Training Program to our reasonable satisfaction or we may terminate the Agreement in accordance with Paragraph 18.

At the end of each phase of the training program, the Designated Franchisee may be required to demonstrate proficiency in the areas covered by each phase of the Designated Franchisee Training Program. We may at our discretion, reduce, eliminate, or increase the training period or classes of the Designated Franchisee Training Program based on the extent to which the Designated Franchisee is able to exhibit skills or knowledge that meet our requirements.

The Designated Franchisee Training Program will be conducted at location(s) and time(s) as designated by us and may be conducted in person or remotely, via an Electronic-based communication platform, as designated by us. If all or a portion of the Designated Franchisee Training program is conducted remotely via an Electronic-based communication platform, the Designated Franchisee must be able to connect to such designated communication platform audibly and visually at your sole cost and expense. The Designated Franchisee Training Program may contain classroom and/or on-the-job training at an operating Hungry Howie's Unit selected by us. Other than the cost of the training instructor, instruction facilities and training materials, you will pay all expenses incurred by the Designated Franchisee or any of your employees attending the Designated Franchisee Training Program, including wages, travel, meals, and lodging. The training instructor may vary and/or change.

At the end of each phase of the training program, the Designated Franchisee may be required to demonstrate proficiency in the areas covered by each phase of the Designated Franchisee Training Program. At our discretion, we may make changes or modifications to the Designated Franchisee Training Program without notice to you. We make no representations or warranty that upon your completion of the Designated Franchisee Training Program you will be adequately trained to operate the Restaurant or that you will be successful in the operation or any aspect of the Restaurant.

Only the Designated Franchisee may attend the Designated Franchisee Training Program. We may, at our discretion, permit additional attendees and assess the Training Fee for such additional attendees. The Training Fee must be paid by you prior to the commencement of the Designated Franchisee Training Program.

We may, at our sole discretion, permit the Designated Franchisee Training Program to take place outside of the Metro Detroit, MI area and assess the Training Fee – Remote for such training. The Training Fee – Remote must be paid by you prior to the commencement of any such training program.

Notwithstanding anything contained in this Paragraph 3.8, you shall be responsible for Employment Practices.

3.9 CONTINUING TRAINING PROGRAM: We may, at our discretion, periodically require the attendance or participation of the Designated Franchisee and/or the Operator at a Continuing Training Program. We shall provide you with reasonable notice of any mandatory Continuing Training Program. Continuing Training Programs will be at such locations and for such durations as we deem appropriate within the continental United States, or may be conducted

remotely, via an Electronic-based communication platform, as designated by us. If all or a portion of the Continuing Training Program is conducted remotely via an Electronic-based communication platform, the Designated Franchisee and/or the Operator must be able to connect to such designated communication platform audibly and visually, at your sole cost and expense. Other than the cost of the training instructor, instruction facilities and training materials, you will pay all expenses incurred by you, the Designated Franchisee, the Operator, or any of your employees attending the Continuing Training Program, including wages, travel, meals and lodging. If the Designated Franchisee and/or Operator fails or neglects to attend or participate in a Continuing Training Program as required by this Paragraph 3.9, we may require you to pay an Administrative Fee and/or default you in accordance with Paragraph 18.5(u).

At our discretion, we may make changes or modifications to the Continuing Training Program without notice to you. We make no representations or warranty that upon your completion of any Continuing Training Program you will be adequately trained to operate the Restaurant or that you will be successful in the operation or any aspect of the Restaurant.

Without our prior consent, only the Designated Franchisee and/or Operator may attend a Continuing Training Program that has been designated for such person. We may, at our discretion, assess the Training Fee for additional attendees at any Continuing Training Program, which must be paid by you prior to the commencement of any Continuing Training Program. Notwithstanding anything contained in this Paragraph 3.9, you shall be responsible for Employment Practices.

We may, at our sole discretion, permit the Continuing Training Program to take place outside of the Metro Detroit, MI area and assess the Training Fee – Remote for such training. The Training Fee – Remote must be paid by you prior to the commencement of any such training program.

3.10 OPENING DATE: After determining that you have satisfied your obligations under this Agreement, we shall mutually agree to a specific date on which the Restaurant will open for business so that we can coordinate our support services to you.

3.11 UPGRADES TO THE RESTAURANT: At least every 4 years, you shall complete the Upgrades as designated by us in writing. You must complete the Upgrades, at your sole cost and expense, by the Upgrade Deadline. If you fail to meet the Upgrade Deadline, we may, at our option, engage Designated Suppliers, contractors or vendors to make any or all of the Upgrades at the Restaurant and charge you the Upgrade Oversight Fee for coordinating and oversight of the Upgrades.

3.12 MAINTENANCE, REPAIRS AND GENERAL APPEARANCE: You shall maintain the Restaurant and all equipment, fixtures, signs and decorations in good order and repair, sound operating condition and in a clean and attractive appearance according to the System. You must always keep the Restaurant in a secure and sanitary condition and repair and periodically repaint the exterior and interior of the Restaurant, and perform such maintenance, repairs or replacements of all uniforms, equipment, fixtures, signs and decorations as Hungry Howie's may reasonably request. Upon our reasonable instruction or request and at your sole cost and expense, you must remove and replace all out of date, worn, faded or discontinued Marketing materials including, but not limited to, posters, signboards, menu boards, and promotional materials and images.

3.13 COMPLIANCE WITH LAWS AND REGULATIONS: You shall maintain and operate the Restaurant in compliance with all applicable federal, state and local laws, codes, ordinances, statutes, rules, standards and regulations, including, but not limited to, the ADA.

3.14 RELOCATION: You shall not relocate the Restaurant without our prior written consent and approval, which shall not be unreasonably withheld. If you desire to relocate your Restaurant, you shall provide us with notice of such desire as soon as reasonably possible. Additionally, you will provide us with a Proposed Location along with such information regarding the Proposed Location as we may reasonably request. At the time you request to relocate the Restaurant, you shall pay the Relocation Fee to us. We will provide location selection assistance as described and subject to the terms and conditions of Paragraph 3.2. Any Proposed Location is subject to the terms of this Agreement, along with completion of the Upgrades or our policy for relocating a Restaurant as provided in the Manual. You may also be subject to the Re-Inspection Fee as provided in Paragraph 3.6.

Any failure to consent or approve a Proposed Location shall not be deemed unreasonable if: (i) we determine the Proposed Location is closer to another Hungry Howie's Unit (regardless of whether the Proposed Location is within the geographic area described on **Attachment A** or the Territory) than the current Restaurant; (ii) there is a determination that customers or sales from an existing or proposed Hungry Howie's Unit will be negatively impacted by the Proposed Location; or (iii) other criteria or factors that we would consider if the Proposed Location was being proposed as a new Hungry Howie's Unit are not satisfied. In no case shall we be required to consent and approve a Proposed Location outside the geographic area described on **Attachment A** or within the Territory of another franchisee.

3.15 EMINENT DOMAIN: If the Lease is terminated or you suffer the loss of adequate parking, due either to the actual or threatened appropriation of all or a portion of the Restaurant by eminent domain proceedings, then for a period of one year following such termination or loss you shall have the right to establish another Restaurant at another location within the Territory. The new location shall be subject to the conditions for relocating the Restaurant as set forth in Paragraph 3.14, except that you shall not be required to pay the Relocation Fee.

3.16 THE TERRITORY:

(a) As long as this Agreement is in effect and you are not in Franchisee Default, we shall not establish or franchise a Hungry Howie's Unit with its physical location within the Territory. You will not be permitted to offer delivery service to any customer located outside of your Territory if deliveries cannot be made within a reasonable period of time or if you are unable to maintain the quality of the product delivered in accordance with the System as we may designate in the Manual.

(b) The Marketing Funds or any advertising cooperative established in accordance with the provisions of Paragraph 12 shall be permitted to advertise multiple locations using the same or single media. This includes printed materials or Internet media on which more than 1 Hungry Howie's Unit and the Restaurant, including telephone numbers and addresses, may be listed. Overlapping into the Territory may also occur during the conduct of direct mail, Internet, Electronic or other mass media campaigns.

(c) Notwithstanding anything in any agreement we may have with you or other franchisees to the contrary, we do not warrant or represent that another Hungry Howie's Unit will not solicit or make any sales within the Territory, and you expressly acknowledge that such solicitations

or sales may occur within the Territory, including delivery of the Products and other items and services within the Territory by another Hungry Howie's Unit. We shall have no duty to protect you from any such sales, solicitations, or attempted sales or solicitations. You recognize and acknowledge that: (i) you will compete with other Hungry Howie's Units which are now, or which may in the future be, located near or adjacent to the Territory; (ii) that such Hungry Howie's Units may be owned or operated by us, our affiliates, third parties or any combination thereof; and (iii) a reasonable amount of overlap may occur between your Territory and the territories of other franchisees or company-owned Hungry Howie's Units.

(d) We reserve the right to purchase, merge, acquire, be acquired by or affiliate with any existing competitive business and, following such activity, without compensation to you, Hungry Howie's may operate or franchise those other businesses under any names or marks regardless of the location of those businesses which may be within the Territory. We reserve to ourselves, without compensation to you, the right to establish other franchise or company-owned restaurants with similar or different products or services using different marks within the Territory. You waive and release any Claims arising from or relating to any of the above activities and shall not initiate or join in any legal action or proceeding or register a complaint with any governmental entity directly or indirectly contending otherwise.

(e) Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right for ourselves or for any other person or entity we may designate, without compensation to you, to use the Marks or to establish, operate and franchise Non-Traditional Restaurants in the Territory.

(f) Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, to solicit or accept orders from consumers, through channels of distribution other than a Hungry Howie's Unit, including use of the Internet, "online ordering", mobile applications, telemarketing or other direct marketing channels.

(g) Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, to directly or indirectly sell and distribute and license others to sell and distribute, prepackaged menu items under the Marks to retail outlets (*i.e.* supermarkets, grocery stores, markets, gourmet shops, convenience stores and other similar retailers) and non-retail outlets (*i.e.* warehouse clubs, pharmacies, drug stores and other similar non-retailers).

(h) Whether partially or wholly located within or outside of the Territory, we reserve the exclusive right to ourselves or with any other person or entity we may designate, without compensation to you, the right to distribute or sell (including marketing and advertising) products bearing our Marks through non-restaurant distribution channels (which may be the same or similar products or services sold by you), including the internet, mobile applications Electronic mail, direct mail, in supermarkets and grocery stores, discounters, convenience stores or vending machines.

4. TERM AND RENEWAL OF AGREEMENT

4.1 INITIAL TERM: This Agreement begins on the Effective Date and, unless terminated sooner in accordance with the terms and conditions of this Agreement, expires at the end of the Term.

4.2 OPENING DATE: You shall not open the Restaurant for business until Hungry Howie's gives you written authorization, as stated in Paragraph 3.10.

4.3 RENEWAL OPTION: You will have the right and option to renew this Agreement for one additional term of 10 years, provided that you strictly comply with all of the following conditions prior to renewal:

(a) You provide us the Renewal Notice not more than 12 months and not less than 6 months before the expiration of the Term;

(b) You are not in Franchisee Default, or in default of any other agreement with us at the time you provide the Renewal Notice and through the expiration of the Term;

(c) You are not in default of any agreement with our affiliates or subsidiaries or a Designated Supplier, at the time you provide the Renewal Notice and through the expiration of the Term;

(d) You have not, on 3 or more occasions during the Term, been sent a Default Notice, without regard to whether you have corrected any such Franchisee Default after having received a Default Notice from us;

(e) You provide us satisfactory proof that you have obtained an extension or renewal of the Lease for the duration of the Term of the New Agreement, or, not less than 6 months prior to expiration of the Term, you have obtained our consent and approval of a Proposed Location as provided in Paragraph 3.14 and you open the Restaurant for business at the Proposed Location prior to expiration of the Term. We need not grant you a renewal option if you cannot maintain possession of the physical location of the Restaurant and therefore would need to secure a substitute location for the Restaurant;

(f) You have obtained any licenses or approvals needed to operate the Restaurant from any federal, state or local governmental authority having jurisdiction over the Restaurant;

(g) You have completed the Upgrades at least 30 days prior to the expiration of the Term, provided that within 60 days after we receive the Renewal Notice we inform you, in writing, of the required Upgrades, and within 30 days after we have sent you the list of Upgrades, you must provide us written notice that you agree to complete the Upgrades;

(h) You execute the New Agreement upon completion of the Upgrades;

(i) You pay to us the non-refundable Renewal Fee upon execution of the New Agreement; and

(j) You execute the General Release.

5. FRANCHISE FEES

5.1 FRANCHISE FEE: Upon the execution of this Agreement, you shall pay us the Franchise Fee in full. No portion of the Franchise Fee is refundable under any circumstances.

5.2 FRANCHISE FEE FOR VETERANS: Upon the execution of this Agreement, provided that you are a former member of the United States Armed Forces and have been

“Honorably Discharged,” you shall pay us the Franchise Fee for Veterans in lieu of the Franchise Fee. The Franchise Fee for Veterans is 50% of the Franchise Fee. You or your affiliates may receive the Franchise Fee for Veterans for only one Restaurant. All other fees will apply. You will be required to provide satisfactory proof of your “Honorably Discharge.” The approved Honorably Discharged veteran must have a 51% or greater Ownership Interest and be designated as the Designated Franchisee on **Attachment B**. No portion of the Franchise Fee for Veterans is refundable under any circumstances.

5.3 **FRANCHISE GRAND OPENING FEE:** The Franchise Grand Opening Fee shall be used in accordance with Paragraph 12.10. We require you to pay us the Franchise Grand Opening Fee on the date you furnish us with a fully executed copy of the Lease in accordance with Paragraph 3.3. No portion of the Franchise Grand Opening Fee is refundable under any circumstances.

6. RECURRING AND OTHER FEES

6.1 **PAYMENT OF RECURRING FEES:** Recurring Fees shall be paid by you to us on the Payment Date and in accordance with the Manner of Payment. The Recurring Fees shall be subject to the Late Fee and Interest Fee if the same are not paid when due and shall be paid by you to us. Our failure to timely invoice you shall not relieve you of your obligation to pay Recurring Fees and Late Fees. Payment of any Other Fee or Interest Fee does not excuse or diminish your obligation to pay us any Recurring Fee. All Recurring Fees are non-refundable.

6.2 **PAYMENT OF OTHER FEES:** Except as specifically provided elsewhere in this Agreement, Other Fees shall be paid by you to us within 10 days after the Other Fee has been assessed and in accordance with the Manner of Payment. We may provide you written notice of the assessment of Other Fees in the ordinary course of business. The Other Fees shall be subject to the Interest Fee if the same are not paid when due. Our failure to timely invoice you for the Other Fees does not relieve you of your obligation to pay the Other Fees. No portion of the Other Fees is refundable under any circumstances.

6.3 **NSF FEE:** You shall pay us the NSF Fee if any Recurring Fee or Other Fee is returned to us “Non-Sufficient Funds” by a bank or financial institution. The NSF Fee is also paid by you to us if a check, EFT or ACH is rejected by a bank or financial institution for any other reason whatsoever. No portion of the NSF Fee is refundable under any circumstances.

6.4 **GIFT CARD PROGRAM FEES:** We may require that you pay us or a Designated Supplier monies paid to you pursuant to the Gift Card Program and hold these monies until a gift card or customer loyalty initiative is redeemed. However, we may keep any prepaid amounts that are not used by customers to the extent allowed by applicable law.

7. FINANCIAL STATEMENTS, INFORMATION AND AUDITS

7.1 **RECORDS:** You will establish an accounting, bookkeeping and recordkeeping system conforming to the requirements prescribed by us in the Manual. This may include the retention of daily cash register receipts, coupons, purchase orders, purchase invoices, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, journals and general ledgers. The records and information described in this Paragraph will not include any records or information relating to Restaurant employees, as you control exclusively your Employment Practices.

7.2 REQUIRED REPORTS: You shall adopt a 52/53-week year for income tax and financial reporting purposes. Hungry Howie's may change the period for reporting Gross Sales and paying Recurring Fees to a daily basis, weekly basis, monthly basis or some other basis and impose fees for late payments comparable to the Late Fee. If such a change is made, the Recurring Fees and Late Fee will be revised accordingly. You will submit to us, in the form prescribed by us from time to time, all of the following:

(a) After each Reporting Period and on a day designated by us, a report of the Gross Sales of the Restaurant for such Reporting Period and such other information and supporting records as may be reasonably required by us;

(b) Within 28 days after the end of each Accounting Period or such other date as may be reasonably designated by us, a Financial Statement for the Accounting Period and year to date. You shall certify the accuracy of the Financial Statement submitted to us;

(c) Within 60 days after the end of each calendar year, an unaudited annual Financial Statement and sources and uses of funds;

(d) Such additional information as we may reasonably require to determine that you are in full compliance with the terms of this Agreement, to assist you in the management or operation of the Restaurant, or to otherwise evaluate the performance of the Restaurant;

(e) Within 30 days after a written request from us, exact and complete copies of any and all tax filings required by any governmental agency or taxing authority for any period during the Term. You will execute any necessary forms for us to receive directly from any governmental agency or taxing authority, copies of any and all tax filings required by any governmental agency or taxing authority for any period during the Term;

(f) Reports on the sale of specific items sold by you, product mix, cost or expenses incurred by you or other reports at intervals and in a manner reasonably requested by us;

(g) Reports on purchases made by you from any Designated Supplier or vendor. If requested by us, you shall sign an authorization directing any Designated Supplier or vendor to furnish us with any information regarding purchases by you from such Designated Supplier or vendor, payments by you to the Designated Supplier or vendor and the outstanding balance due the Designated Supplier or vendor. We shall have the right to obtain any such information directly from a Designated Supplier without your advance approval; and

(h) Such additional information as we may reasonably require as necessary or desirable for us to offer or sell franchises.

You shall pay to us the FI Late Fee from the date you were required to furnish to us Financial Information, Financial Statements or other information as required in this Paragraph 7.2 until the date you furnish all Financial Statements and Financial Information requested by Hungry Howie's. No portion of the FI Late Fee is refundable under any circumstances.

7.3 ACCOUNTING: During the first full year of operation of the Restaurant, you shall utilize, at your own cost and expense, a Designated Supplier for accounting services and for the preparation of the Financial Statements. After the first full year of operation of the Restaurant,

you may request to use an alternate accountant for the preparation of the Financial Statements other than the Designated Supplier. Any request must be in writing, and must state the name, address, telephone number and email address of the accountant you would like to use. We may conduct an investigation to determine if the alternate accountant can perform the tasks in accordance with our requirements.

We will not unreasonably withhold our approval and we will provide our approval or disapproval within 30 days. If we fail to timely provide any approval or disapproval, the accountant you requested shall be deemed approved. No fee is paid to us to secure approval. There is no procedure to revoke such approvals. However, if we reasonably determine that such alternate accountant is not performing competently and in a timely manner, we shall notify you in writing that you must change the alternate accountant within a reasonable period of time. We must approve any replacement accountant.

You understand and agree our investigation or approval of your proposed alternate accountant is for our sole benefit and is not intended to express, warrant or imply a guarantee of the quality or nature of the services provided. You shall not rely on us for such purposes.

7.4 AUDITS: Hungry Howie's, its agents or other representatives shall have the right to conduct an Audit at any time. Within 30 days after notice from Hungry Howie's, you shall furnish the Financial Information to Hungry Howie's at such location as Hungry Howie's designates. You and all of your employees, contractors and accountants will cooperate with all personnel conducting the Audit.

After the Audit is completed, Hungry Howie's shall provide you with an Audit Invoice, if applicable. You shall pay us the Audit Invoice in full within 10 days after we provide you the Audit Invoice. If you fail to pay the Audit Invoice when due, Hungry Howie's will add the Interest Charge to the Audit Invoice until the amount of the Audit Invoice is paid in full.

If the Audit requires Financial Information which is not in the possession of Hungry Howie's, Hungry Howie's shall give you written notice of the Financial Information required in connection with the Audit, and the location and date of the Audit at least 30 days prior to the date of the Audit. If you do not furnish the Financial Information requested in connection with an Audit at the time and location designated by us, you shall pay to us the FI Late Fee and the Interest Charge.

7.5 EFT AND ACH: You shall establish and maintain throughout the Term of this Agreement an account with a state or federally chartered financial institution, which account shall be the only account into which you regularly deposit Gross Sales from the Restaurant. You will then immediately upon our request deliver and execute all documents and authorization deemed necessary by us or the financial institution where you maintain any such account permitting us to EFT any payments due to us under this Agreement via ACH. You may also be required by us to deliver and execute such documents and authorizations to a Marketing Fund or an entity that we establish or administer under the provisions of Paragraph 12.

If any Recurring Fee is based on Gross Sales or some other figure which you must report to us and you fail to report this figure in a timely fashion, then we shall have the power to EFT from such account the amount which we shall deem to be a reasonable approximation of the sum owed to us. The transfer of funds in this manner shall not in any way relieve you of the obligation to pay any amounts owing should the transferred funds be less than the actual amount

owing by you or if sufficient funds are not available for transfer from said account. You will still be required to submit full and complete reports as required by Paragraph 7.2.

7.6 ELECTRONIC DATA TRANSFERS: We may require you to file any and all reports to us via an Electronic data transfer system which shall be prescribed by us. All data shall be transferred in a form compatible with our system and in accordance with Paragraph 9.5.

7.7 CREDIT REPORTING: You hereby authorize us to report to any credit reporting facility any past due or current amounts owing under this Agreement or any other amount owing to us or our affiliates.

7.8 FURNISHING OF FINANCIAL DATA: Hungry Howie's shall have the right to furnish all Financial Information, Financial Statements and other information regarding you to your prospective Transferee or a prospective Transferee of any of your stockholders, partners or members. Hungry Howie's may furnish to all or less than all franchisees information regarding all franchisees including, but not limited to, sales, cost of goods sold and expenses and Hungry Howie's may identify you by name, location and/or store number in its disclosure of such information to all other franchise owners.

8. RESTRICTIONS ON THE SALE AND SOURCES OF PRODUCTS AND SERVICES

8.1 SALES OF ONLY MENU ITEMS: You must sell all Menu Items at the Restaurant. You are only permitted to sell Menu Items at the Restaurant. We may from time to time at our discretion revise Menu Items, including adding, deleting or altering the Menu Items or any recipe, ingredients or method of preparation. You must begin to sell the revised Menu Items immediately upon written notice from us unless otherwise provided by us.

8.2 PACKAGING OF MENU ITEMS: You shall only use the Packaging in the sale and dispensing of Menu Items. We may from time to time at our discretion revise the Packaging, including adding, deleting or altering the Packaging. You must use the revised Packaging immediately upon written notice from us unless otherwise provided by us.

8.3 STANDARDS AND SPECIFICATIONS OF APPROVED ITEMS: You shall not purchase, utilize, dispense or sell any Menu Item, Packaging or other product or service that does not conform to the System. All Menu Items sold by you shall be fresh and wholesome. You shall not sell or utilize any food or ingredient purchased at a railroad or truck salvage or any other type of salvage or auction.

8.4 PURCHASE OF INGREDIENTS AND SUPPLIES: You must purchase all products, ingredients, equipment, supplies and materials, whether perishable or non-perishable, including but not limited to our trade secret spices and crust flavors, cheeses, meats, vegetables, dough mix, flour, sauce, beverages (prepackaged and post-mix), Packaging, uniforms, signage, menu boards, printed materials, posters and menus, only from a Designated Supplier. All ingredients, supplies and Packaging purchased must be used only at the Restaurant and you shall not resell, transfer or share the ingredients, supplies or Packaging with any other party. You shall promptly and fully pay any Designated Supplier.

8.5 PRICE OF APPROVED ITEMS: We shall have the power to exercise certain rights with respect to the prices at which Menu Items are to be sold by you. To the fullest extent permitted by law, these rights may include (without limitation) prescribing, limiting or recommending the maximum and/or minimum prices at which you may sell Menu Items and/or

your marketing or advertising of specific prices for some or all Menu Items which you must observe. Hungry Howie's shall also have the power to direct certain Marketing, promotional and related campaigns in which you must participate and which may directly or indirectly impact menu prices (such as "buy one, get one free") and otherwise mandate, directly or indirectly, the maximum and/or minimum prices which you may charge for Menu Items. Hungry Howie's may engage in any such activity either periodically or throughout the Term. Hungry Howie's may engage in such activities only in certain geographic areas and not others. You acknowledge that the prices Hungry Howie's prescribes or suggests may or may not optimize the profitability of the Restaurant and you irrevocably waive any and all claims arising from or related to Hungry Howie's prescription or suggestion of prices for Menu Items.

8.6 USE OF DESIGNATED SUPPLIERS: In addition to the terms or conditions found elsewhere in this Agreement, the designation by us and use by you of a Designated Supplier shall be subject to all of the following:

- (a) We may name ourselves or our affiliates as a Designated Supplier;
- (b) We may name one or more Designated Suppliers with restrictions or conditions on the designation or use of such Designated Suppliers, including geographic location, product or services to be offered, quantity or quality of products or services to be provided, duration, exclusivity or other restrictions or conditions as we deem appropriate from time to time in our discretion;
- (c) We, or our designee, are permitted to, and are the only parties authorized to, negotiate pricing for products or services on behalf of the System and you are not permitted or authorized to negotiate pricing on behalf of the System;
- (d) We make no guaranty, warranty or promise that we will obtain the best pricing or most advantageous terms on behalf of the System;
- (e) Your purchases from the Designated Supplier will be at prices and under terms in effect at that time and as established by the Designated Supplier, and you acknowledge that the Designated Supplier has the right to change its prices or terms from time to time without notice;
- (f) Neither we nor the Designated Supplier is required to provide you any extension of credit and all payment terms, unless otherwise agreed to with the Designated Supplier, shall be COD;
- (g) Any approval of a Designated Supplier is not a blanket approval of the products or services the Designated Supplier may provide, but shall only be for specific products or services sold by that Designated Supplier as approved by us;
- (h) If we determine in our discretion, that such Designated Supplier has violated any agreement with us, or the products or services no longer meet our standards or specifications, we may at any time revoke our approval of a Designated Supplier, or of any particular product or services provided by a Designated Supplier. Upon receipt of written notice of such revocation, you shall cease purchasing or using any disapproved Designated Suppliers, products or services;
- (i) You acknowledge that we and/or our Designated Supplier may make a profit on goods, products and/or services sold or leased to you or used by you, and such profit

may vary from time-to time. You also acknowledge that we may receive or charge a fee or other form of remuneration or consideration from a Designated Supplier or vendor with respect to the sale or lease of goods, products or services to you or used by you. Any fee, remuneration or consideration may or may not be related to services performed by us. Subject to applicable law, we will be entitled to retain such fee, remuneration, consideration or profits as described in this Paragraph 8.6 (i);

(j) You shall pay the Designated Supplier directly and promptly when due all invoices, accounts and debts of the Restaurant under the then-current payment terms and conditions of the Designated Supplier;

(k) If you fail to make any payment in full when due as required under this Agreement, we or the Designated Supplier reserve the right, among other remedies, to: (i) suspend or refuse shipment to you until such payment has been made in full; or (ii) require payment for any or all future shipments of products to be made COD;

(l) We provide no guarantee or warranty, expressed or implied, and are not responsible or liable if the products or services provided by a Designated Supplier fail to perform or conform to any standards or specifications that we may establish;

(m) We are not responsible or liable for any delay in the delivery of any product or services including food ingredients, beverages, fixtures, furnishings, equipment, signs, supplies and Marketing materials purchased from a Designated Supplier; and

(n) We retain the right to substitute, add or delete Designated Suppliers at any time in our sole discretion.

9. TECHNOLOGY AND ELECTRONIC DATA

9.1 TECHNOLOGY SYSTEMS: You will purchase, lease, license and/or use, at your cost, Technology Systems as designated by us in the Manual, which may be revised, from time to time, by us in our sole discretion. We may require that such Technology Systems are purchased, leased or licensed from Designated Suppliers as described in the Manual, unless we permit otherwise in writing, in our sole discretion. We may require that any Technology System is initially programmed and, from time to time, reprogrammed only by us or Designated Suppliers.

Should you become aware of any flaw, fault or error in the programming, operation or functionality of any Technology System, you shall promptly notify us of such flaw, fault or error.

You shall, at your own expense, purchase, lease, license or subscribe to the following Technology Systems which shall:

(a) COLLECTION OF SALES INFORMATION: Accurately, consistently and completely capture and record all Gross Sales and related information and data of the Restaurant. Such Technology System is currently the POS System. You shall take all necessary action to backup all records of Gross Sales or other data and information on such Technology System at least once every 30 days or as we may otherwise designate in the Manual. We may also require you to furnish certain records or data in hard copy or Electronic files.

(b) PAYMENT PROCESSING: Permit the Restaurant to accept payment in the form of credit cards, debit cards and similar payment devices or services specified by us that

enable purchases to be made with or without the physical exchange of currency. We may require that such Technology System integrate with the POS System and may involve integration with other Technology Systems; this may require you to obtain additional equipment or services. You shall, at your own expense, subscribe to any related payment processing services designated by us.

(c) INTERNET: Obtain internet services for the Restaurant, which may include secure voice and data lines, in accordance with the Manual. We may require that such Technology System integrate with the POS System and may involve integration with other Technology Systems; this may require you to obtain additional equipment or services.

(d) ALTERNATIVE ORDERING: Allow the Restaurant to accept orders from customers without the need to call the Restaurant directly, using a Technology System . We may require that such Technology System integrate with the POS System and may involve integration with other Technology Systems; this may require you to obtain additional equipment or services.

9.2 TECHNICAL SUPPORT: You shall acquire ongoing technical support, hardware or software subscription agreements, maintenance or service contracts and software upgrades and updates as specified in the Manual for any Technology System.

9.3 SOFTWARE LICENSING: You may be required to enter into and abide by hardware or software licensing, subscription, maintenance, or similar agreements with Designated Suppliers or third-party vendors in connection with hardware, software or cloud-based services for any Technology System.

9.4 HOME: You must utilize HOME to access the Manuals and other training materials, file certain reports related to your sales as described in Paragraph 7.2, and receive other communications from us. However, you shall not be required to utilize HOME for matters related to Employment Practices.

You shall, at your own expense, purchase or lease an Electronic device through which you access HOME. We may require you to purchase such Electronic device as designated by us in the Manual.

9.5 ACCESS TO CUSTOMER DATABASE AND ELECTRONIC DATA: Upon request, you shall furnish us with all information regarding the customer database or records of the Restaurant, whether maintained in hard copy or Electronically, in the form and manner designated by us in the Manual.

You will give us free and unfettered access and the right to retrieve any data or information directly from any Technology Systems as we deem necessary, desirable or appropriate. We may retrieve such data or information Electronically and manually. Such data or information may include Electronically polling the daily sales, menu mix, carry-out, delivery, catering or online ordering mix and other data or information of the Restaurant.

Notwithstanding anything in this Paragraph 9.5 above, you shall not be required to provide us with any data or information related to Employment Practices as part of our ordinary business practices.

You will provide any assistance, equipment, software and programming required to bring and maintain the Technology Systems and the Restaurant online with any system that we

designate for the Electronic transfer of data required by us via high speed internet connection or the fastest data exchanger available within the designated market. You shall pay the telephonic or other data transmission costs of such retrieval. We may also require you to furnish certain data in hard copy or via an Electronic file transfer. While retrieving any data and information we shall take reasonable precautions to protect the security of the Technology Systems. We may retrieve the data and information at intervals and times we determine, and without any advance notice to you. All data and information provided to us, whether Electronically retrieved or otherwise received, will become our property and may be used by us in any manner we consider appropriate.

9.6 ACCESS TO COMMUNICATION: In accordance with the Manual, you shall, at your own expense, maintain a designated email address and Electronic device with internet access which will allow you to access communications from us to you.

9.7 PCI DSS COMPLIANCE: You are required, at you own time and expense, to continually meet the most current PCI DSS compliance standards and provide documented proof of compliance, in accordance with the Manual. We may require you to use a Designated Supplier to provide such services.

9.8 CHANGES IN TECHNOLOGY, UPGRADES & UPDATES: You acknowledge that changes to technology are dynamic and not predictable or definable within the Term of this Agreement. We have the right to periodically establish, in writing, new standards, specifications, and components of any Technology System to address new technologies and to implement those changes into the System. You shall abide by any new standards established by us and you shall pay all fees associated with such new standards. Such new standards, specifications, and components of any Technology System due to technological developments or events, may require you to purchase, lease, license or subscribe to new or modified computer Technology Systems or to obtain service and support for any Technology System. Although we cannot estimate the future costs of any Technology System or required service or support, you must incur the costs of obtaining the such Technology System (and additions and modifications) and required service or support. Within 90 days after we deliver notice to you, you must obtain Technology System components we designate and ensure that your Technology System, as modified, is functioning properly.

We may require you to replace the POS System or other Technology System every 4 years in accordance with the provisions of Paragraph 3.11.

We will require you to update or replace software or cloud-based services used by the POS System or other Technology System as directed by us, which may be on a more frequent basis than every 5 years. You shall make or, at our direction, permit us or a Designated Supplier to make, any programming changes or updates required from time to time by us. Such programming changes or updates may be made by us or a Designated Supplier either physically in the Restaurant or remotely by Electronic means. You shall fully cooperate to ensure that such programming changes or updates are accomplished and are not altered.

9.9 CUSTOMER DATA AND PRIVACY POLICIES: You agree that the Restaurant may have access to or be provided with certain customer information, including the name, address, age, order or sales information or other data which may or may not be private or of a sensitive nature ("Customer Information"). You shall take all commercially reasonable precautions and institute policies to protect and safeguard Customer Information in a commercially reasonable manner. You also agree to abide by any laws or regulations concerning

Customer Information. You also agree to abide by any privacy policies that we may publish or institute with respect to Customer Information.

9.10 INSTITUTION AND USE OF TECHNOLOGY FEE: We may institute the Technology Fee upon 90 days written notice to you.

The Technology Fee shall be used to fund technology expenditures as determined by us and may include but are not limited to providing the System with general assistance and guidance on Technology Systems, technology-related matters, researching and developing new technologies such as hardware, software and cloud-based services, network maintenance and upgrading, website internet/intranet capabilities (such as HOME) and internal and external data storage and archiving. Whether or not we collect the Technology Fee from you, you are required to acquire at your own expense, in accordance with the provisions of this Paragraph 9, technology-related products or services, including Technology Systems and other support services from one or more Designated Suppliers. The Technology Fee does not cover the amounts you will need to spend on Technology Systems in accordance with the provisions of this Paragraph 9, which are in addition to the Technology Fee.

We shall have complete discretion as to the use and allocation of the amounts collected from Technology Fee payments, which may be used for payment of salaries, wages and benefits, direct program costs and/or overhead expenses related to the above-described activities.

With respect to the collection, use or expenditure of the Technology Fee, we have no obligation to: (i) do so from you or any other franchisee; (ii) ensure equivalent or proportionate collection, use or expenditures; (iii) ensure that you or the Restaurant benefits directly, pro rata or at all from the Technology Fee; or (iv) provide an accounting to you or any franchisee.

10. YOUR OBLIGATIONS

10.1 NAME OF THE RESTAURANT: You shall operate the Restaurant pursuant to this Agreement and the Manual and exclusively under the Marks as we may designate from time to time in accordance with Paragraph 14.1.

10.2 DESIGNATED FRANCHISEE'S OBLIGATIONS: You are required to name and maintain a Designated Franchisee at all times. Such individual shall be designated as provided on **Attachment B** of the Franchise Agreement and you must provide us with a contact email address and telephone number for the Designated Franchisee. The Designated Franchisee shall not be changed without our prior written consent.

The Designated Franchisee shall be solely responsible for communicating with us directly (or our affiliates or a Designated Supplier) regarding any matters relating to the Franchise Agreement, including required notices, defaults, modifications and amendments. Decisions or actions taken by the Designated Franchisee shall be final and binding on you and we may rely solely on such decisions pertaining to any matters relating to the Franchise Agreement without discussing the matter with you or any other party. We will not be liable for any decisions or actions we take based on the Designated Franchisee's decisions or actions.

To meet certain minimal requirements that allow us to communicate the System, the Designated Franchisee must be fluent in the English language and able to adequately communicate (oral and written) with us, customers, employees, representatives of relevant

government agencies and others. To ensure that the provisions of Paragraphs 15.3 [Confidential Information] and 16.1 [In-term Covenant] are addressed, the Designated Franchisee may not give access to Hungry Howie's proprietary information or become involved in any business, consistent with Paragraphs 15.3 [Confidential Information] and 16.1 [In-Term Covenant].

10.3 OPERATOR'S OBLIGATIONS & MANAGEMENT AND OPERATION OF THE RESTAURANT: You are required to name and maintain an Operator at all times. Such individual shall be designated as provided on **Attachment B** of the Franchise Agreement and you must provide us with a contact email address and telephone number for the Operator. The Operator shall not be changed without our prior written consent.

The Operator shall be responsible for and diligently devote his best efforts to the operation of the Restaurant. Decisions or actions of the Operator in the conduct, management, or operation of the Restaurant shall be considered to be actions taken by you and we may rely solely on such actions in matters relating to the operation of the Restaurant without discussing the matter with you or any other party, and we will not be liable for any decisions or actions we take based on the Operator's decisions or actions.

To meet certain minimal requirements that allow us to communicate the System, the Operator must be fluent in the English language and able to adequately communicate (oral and written) with us, customers, employees, representatives of relevant government agencies and others. To ensure that the provisions of Paragraphs 15.3 [Confidential Information] and 16.1 [In-term Covenant] are addressed, while acting as the Operator, the Operator may not give access to Hungry Howie's proprietary information or become involved in any business, consistent with Paragraphs 15.3 [Confidential Information] and 16.1 [In-Term Covenant]. You may have to provide us written proof that the Operator has agreed to abide by the terms of Paragraphs 15.3 [Confidential Information] and 16 [Covenants] for our benefit.

We (or our affiliates or a Designated Supplier) may communicate directly with the Operator regarding any matters relating to the Restaurant, except for matters related to Employment Practices.

If the Operator is not or is unable to be personally involved in the regular conduct, management and operation of the Restaurant on a frequent and ongoing basis for more than 14 consecutive days, you shall notify us in writing within 7 days of your knowledge of this information or the end of the 14 consecutive days, whichever shall first occur. Such notification shall include the name of another individual you propose as a replacement to the Operator. You shall, upon our request, promptly provide us with any additional information we may reasonably request with respect to the qualifications of the proposed replacement Operator that are consistent with those qualifications outlined in this Paragraph 10.3 above. If you have provided the additional information we requested, then, provided the replacement Operator meets qualifications that are consistent with this Paragraph 10.3 above and attends and successfully completes the next scheduled Operator Training Program and you have paid the Training Fee, the replacement Operator shall be permitted. . If we do not approve, in writing, of the replacement Operator within 14 days after the date on which you propose a replacement Operator, we may, in our sole discretion, terminate the Franchise Agreement upon written notice to you in connection with Paragraph 18.5(u). You shall be responsible for the Operator's compensation, travel and living expenses during the Operator Training Program. The Designated Franchisee must serve as the interim Operator until an approved replacement Operator has successfully completed our then-current Operator Training Program.

10.4 CONTINUOUS OPERATIONS: You shall make best efforts to complete construction and/or remodeling of the approved location, and have the Restaurant opened for business as soon as possible but in no event later than as required in Paragraphs 18.2 and 18.3.

After the Restaurant is opened for business and unless prevented by a Casualty, you shall continuously and without interruption operate the Restaurant at the approved location during the entire Term. Unless prevented by a Casualty, you shall be deemed to have abandoned the Restaurant if you fail to operate the Restaurant for 3 or more consecutive days.

If there is a Casualty you will notify us as soon as possible, but in no case more than 2 days from the date of the Casualty.

10.5 HOURS OF OPERATION: Subject to any limits imposed by local laws or ordinances, the Restaurant shall be opened for business to the public according to the Hours of Operation. Subject to local laws or ordinances, we may require you to expand or otherwise modify the Restaurant's Hours of Operation.

10.6 DELIVERY SERVICE: Subject to the restrictions below, you shall deliver Menu Items to customers who request delivery during the Restaurant's Hours of Operation, unless prevented from doing so by a Force Majeure. You shall not offer delivery service to any customer unless deliveries can be made within a reasonable period and you are able to maintain the quality of the product delivered in accordance with the System as we may designate in the Manual.

You must ensure that all vehicles used in the course of business are in good repair, meet at least minimum governmental standards for safety if owned or leased by you and shall be operated solely by persons who are properly licensed to operate such vehicles.

You shall make a diligent effort to ensure that your employees will always strictly comply with all traffic laws, regulations and rules, use due care and caution in the operation of delivery vehicles and maintain all delivery vehicles in good condition and repair.

10.7 PRODUCT AND SERVICE RESTRICTIONS: You shall abide by any restrictions on the sale or source of products or services as provided for in Paragraph 8.

10.8 EMPLOYEE RELATIONS: You have the sole responsibility and authority for your Employment Practices. Your or the Restaurant's employees are under your control at the Restaurant or when fulfilling duties on your or the Restaurant's behalf.

We are not the employer or joint employer of your or the Restaurant's personnel working at the Restaurant or claiming employment status as a direct or indirect result of the Restaurant's operations. We will not exercise direct or indirect control over the working conditions of your or the Restaurant's personnel, except to the extent such indirect control is related to our legitimate interest in protecting the quality of the Products, services, the System or the Marks. We do not share or codetermine the terms and conditions of employment of your or the Restaurant's personnel or affect matters relating to the employment relationship between you and your or the Restaurant's personnel, including your Employment Practices.

You agree that when dealing or communicating with your or the Restaurant's employees, whether through Employment Practices or in employment agreements, human resource manuals, written or electronic correspondence, paychecks, or other methods or materials, you will conspicuously identify the following:

- (a) You (and only you) are their employer;
- (b) We are not their employer; and
- (c) We do not engage in any employer-type activities for which only franchisees such as you are responsible.

10.9 SERVICE AND UNIFORM REQUIREMENTS: You will take all steps necessary to ensure that your employees are properly trained and render competent, conscientious, sober, prompt, courteous and knowledgeable service so as to permit you to meet such minimum standards as may be established by us from time to time to preserve good customer relations with the patrons of the Restaurant and protect and maintain the goodwill of the Marks and the System. You and your employees will handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from the name or goodwill of Hungry Howie's and the System.

In order to protect and maintain the goodwill of the Marks and the System, you will require your employees to wear standard uniforms as described in the Manual and present a neat and clean appearance while engaged in the operation of the Restaurant.

10.10 DISPLAYS: In the dispensing and sale of products and services from the Restaurant, you shall only use sign cards, notices, displays and decorations as are uniform in the System and produced using sources from our visual asset library.

10.11 NO VENDING, VIDEO OR PINBALL MACHINES: You will not permit vending, slot, video, pinball or similar machines or games to be located at or in the Restaurant.

10.12 GOVERNMENT COMPLIANCE AND TAXES: You shall comply with all federal, state, county and city statutes and ordinances, and with all regulations of any governmental body which might directly or indirectly affect the operation of the Restaurant. You will timely pay all taxes assessed by any taxing authority, federal, state or local, against the Restaurant or the personal property used in the operation of the Restaurant.

You will pay to us the amount of all sales taxes, use taxes, personal property taxes and similar taxes that any taxing authority within your state(s) imposes on or seeks to collect from us on account of your Gross Sales or on account of any Recurring Fee collected by us from you, but excluding our ordinary income taxes or our receipts taxes arising out of Recurring Fees and Other Fees due or paid from you or us. We are permitted to collect from you any imposed taxes in the same manner as Recurring Fees or to direct you to make those payments directly to the applicable taxing authority.

10.13 INDEPENDENTLY OWNED POSTING: You shall conspicuously post at the Restaurant a notice that the Restaurant is "INDEPENDENTLY OWNED AND OPERATED".

You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, employees, and others as the Restaurant's independent owner, operator, and manager under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising and marketing, and other materials we periodically require.

10.14 INSURANCE: You will, at your own expense, obtain and maintain in effect during the entire Term, the various forms and coverage of insurance for the Restaurant as specified in Paragraph 13.

10.15 NOTICE OF LEGAL ACTIONS: You shall notify us in writing within 7 days of the receipt of your notice of the commencement of any action, suit or proceeding or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which in any way relates to us, to the Restaurant or the Lease for the Restaurant or that may adversely affect your financial condition or your ability to meet your obligations under this Agreement. You shall also notify us in writing within 7 days of the receipt of your notice of any complaint, claim or other notice alleging a failure to comply with the ADA.

10.16 ACTIONS AFFECTING THE LEASE: You shall not cancel, terminate or assign the Lease or sublet the Restaurant or attempt to take any such action, without providing us written notice of your intended action at least 30 days prior to taking or attempting such action. You shall provide written notice to us within 7 days after you exercise any option to extend your Lease for the Restaurant.

10.17 TELEPHONE NUMBER(S): The telephone number or numbers of the Restaurant shall be listed under the name of "HUNGRY HOWIE'S." You will provide all funds necessary for any required deposit and you shall pay all telephone charges when due. At the time this Agreement is signed, you shall execute an Assignment of Telephone Numbers in a form substantially the same as **Attachment E**. Hungry Howie's shall have the power to date the Assignment of Telephone Numbers and to insert any missing information required to make the Assignment of Telephone Numbers complete and effective.

10.18 MEETING ATTENDANCE: The Operator shall attend all meetings of franchisees periodically held by us. We shall provide you with adequate notice of the time, date, and location of each franchise meeting. You shall bear all expenses related to attendance at such meetings, including but not limited to, wages, travel, meals and lodging. You shall pay us the Annual Meeting Fee for each annual meeting which is not attended by the Operator.

10.19 INSPECTIONS: In order to protect and maintain the goodwill of the Marks and to reasonably determine if you are in compliance with the System, you shall permit, cooperate and allow the following, at any reasonable time (with or without notice):

- (a) any inspections of the Restaurant;
- (b) demonstration by the Operator that he/she has the skills necessary to operate the Restaurant in accordance with the System;
- (c) inspection, testing, or verification that any equipment, products, supplies, methods of production, or merchandising adhere to the System;
- (d) review of any books or records related to the operation of the Restaurant; however, the books or records will not include any records or information relating to Restaurant employees, as you exclusively control your Employment Practices; and
- (e) conferring with your employees and/or customers.

We may, at our discretion, provide you written reports, evaluations, inspections or recommendations concerning the System. You will be obligated to make adjustments, changes and modifications to obtain compliance with the System in accordance with such written reports, evaluations, inspections or recommendations, except those related to Employment Practices, which you exclusively control.

11. OUR OBLIGATIONS TO YOU

11.1 PRE-OPENING OBLIGATIONS: Prior to the Restaurant opening for business we shall do all of the following:

(a) Provide consent and approval for the location of the Restaurant in accordance with Paragraph 3.1;

(b) Provide general advice, guidance and assistance on the selection of a location for the Restaurant in accordance with Paragraph 3.2;

(c) Provide general advice, guidance and assistance on the negotiation of the Lease for the Restaurant in accordance with Paragraph 3.3;

(d) Provide general advice, guidance and assistance on developing and preparing the Drawings for the Restaurant in accordance with Paragraph 3.5;

(e) If applicable, approve or disapprove the Alternate Architect within 30 business days after the request in accordance with Paragraph 3.5;

(f) Inspect the Restaurant to determine if it has been constructed in conformity to the approved Drawings and the System in accordance with Paragraph 3.6;

(g) Make the Initial Training Program available to you in accordance with Paragraph 3.7;

(h) Make the Designated Franchisee Training Program available to you in accordance with Paragraph 3.8;

(i) Designate the opening date of the Restaurant in accordance with Paragraph 3.10;

(j) Provide initial advertising and grand opening promotions in accordance with Paragraph 12.10; and

(k) Provide access to the Manual in accordance with Paragraph 15.1.

11.2 POST-OPENING OBLIGATIONS: After the Restaurant is open for business and during the Term, we shall do all of the following:

(a) Notify you in writing of the Upgrades that we require in accordance with Paragraph 3.11;

(b) If you desire or are required to relocate the Restaurant, we will provide location selection assistance in accordance with Paragraph 3.14;

(c) Not establish, operate or franchise any other Hungry Howie's Unit within the Territory as provided in Paragraph 3.16;

(d) Make the Continuing Training Program available in accordance with Paragraph 3.9;

(e) At your reasonable request, we shall periodically consult with you concerning the operations of the Restaurant. However, we shall have no obligation to consult with you according to any schedule or any specified times, rate or frequency. You acknowledge that it would be impossible for us to consult with each of our franchisees an identical number of times or for an identical amount of time, and that the extent of your meetings and consultation with us may be greater or less than other franchisees;

(f) Provide the identity of any Designated Supplier in accordance with Paragraph 8;

(g) Administer, implement and provide approvals for the Marketing Funds and Marketing in accordance with Paragraph 12;

(h) Cooperate with you to protect the System against the infringement of the Marks in accordance with Paragraph 14.5; and

(i) Provide approval or consents for Transfer in accordance with Paragraph 17.2.

12. MARKETING

12.1 **MARKETING FEE CONTRIBUTION:** You are required to pay the Marketing Fee. Except as provided in Section 12.1(c) below, the Marketing Fee shall be allocated, in our sole discretion, among the National Marketing Fund and the Local Marketing Fund. If we choose to raise or reduce the allocation of the Marketing Fee to either the National Marketing Fund or the Local Marketing Fund, then we will concurrently and proportionately reduce or raise, as applicable, the allocation of the Marketing Fee to the corresponding fund so that the total allocation to both the National Marketing Fund and the Local Marketing Fund does not exceed the Marketing Fee. We may, in our sole discretion, modify the allocation of the Marketing Fee between the National Marketing Fund and the Local Marketing Fund as often as we desire. However, if we intend to alter the allocation of the Marketing Fee, we will provide you 90 days' prior written notice of such change. Currently, the Marketing Fee is allocated as follows:

(a) **NATIONAL MARKETING FEE:** One seventh ($\frac{1}{7}$ th) of the Marketing Fee (which is 1% of Gross Sales) is allocated as the National Marketing Fee.

(b) **LOCAL MARKETING FEE:** Six sevenths ($\frac{6}{7}$ th) of the Marketing Fee (which is 6% of Gross Sales) is allocated as the Local Marketing Fee.

(c) **UNCOLLECTED MARKETING FEE:** We may decide in our sole discretion not to collect the entire Marketing Fee from you. If we make this decision, then we will provide you 90 days written notice. However, you will remain responsible for administering and spending funds that are equal to that portion of the Marketing Fee we have decided not to collect from you and which may be subject to the provisions of Section 12.5 below. We may Audit your expenditures to determine if you are administering and spending the full amount of the uncollected Marketing Fee on Local Marketing. You shall maintain for inspection all agreements, bills, invoices, canceled checks, and other records necessary to document that the uncollected portion of the Marketing Fee was administered and spent on Local Marketing. We may revoke or alter our election not to collect the entire Marketing Fee from you under this Section 12.1(c) by providing you with 90 days written notice.

12.2 **MARKETING FUNDS IN GENERAL:** We may decide, in our sole discretion, how the Marketing Funds will be established, under what type of entity and how the Marketing Funds will be structured and operate. We shall administer, manage, operate, form, change, dissolve or merge any Marketing Funds in our sole discretion. We may have other funds similar to the Marketing Funds that serve the same or similar purpose as the Marketing Funds. At our sole discretion, we may use these funds in replacement of or in addition to the Marketing Funds. These replacement or additional funds shall become Marketing Funds. We may designate Marketing Funds by any other names. We currently receive monies from other franchisees that have similar but not identical provisions in their respective Franchise Agreements, and you agree that your contributions to the Marketing Funds may be combined with contributions made by other franchisees to conduct Marketing.

Expenditures from the Local Marketing Fund shall be generally intended to enhance recognition of the Marks and patronage of Hungry Howie's Restaurants and enhance and promote the System through Local Marketing. Other than as specifically provided in this Paragraph 12, we are not required to spend any amounts on Marketing in the area of or for the direct benefit of the Restaurant. For the expenditure of the Marketing Funds, we have no obligation to: (i) make expenditures which are equivalent or proportionate to your contributions or the contributions of any other franchisee; (ii) ensure that the Restaurant benefits directly or pro rata from the placement of Marketing; or (iii) ensure that any Marketing directly benefits the Restaurant. Additionally, we have no obligation to ensure that any Marketing Fund expenditures benefit all Hungry Howie's Units equally. In the administration or operation of the Marketing Funds, a reasonable amount of overlap may occur between your Territory and the territory of other franchisees. There may be crossover into the territory of other franchisees and, as a result, your expenditures may benefit other Hungry Howie's Units.

The sale of additional franchises benefits the System. Provided that such use is incidental, Marketing by the Marketing Funds may be used for the sale of Hungry Howie's franchises.

Administration of the Marketing Funds or any advice, guidance, or assistance we provide you is not intended to give you a guarantee, expressed or implied, or otherwise warrant or imply: (i) the likelihood of your success or profitability at the Restaurant; (ii) imply that the expenditure of any Marketing Fees is more desirable compared to other possible expenditures of the Marketing Fees; (iii) that we secured the most advantageous terms and conditions for the expenditure of the Marketing Fee; or (iv) that we are required to spend any amounts on Marketing in the area of or for the direct benefit of the Restaurant (except as provided in this Paragraph 12).

12.3 **ADMINISTRATION OF MARKETING FUNDS:** We shall spend the monies in the Marketing Funds as we deem best and during the fiscal year in which the contributions are made. However, we may retain a reasonable reserve for future Marketing, repayment of debt and other reasonable business needs in the next fiscal year(s). Although the Marketing Funds are intended to be of perpetual duration, we retain the right to: (i) terminate or replace any of the Marketing Funds at any time; (ii) direct the monies in any of the Marketing Funds to another entity, provided that the monies are used for Marketing; (iii) terminate the Marketing Funds or name another designee to administer or operate the Marketing Funds; (iv) change the operating agreement, articles or bylaws of the entity that administers the Marketing Funds; or (v) change or alter the entity that administers the Marketing Funds. We may only terminate the Marketing Funds if: (i) all funds in the Marketing Funds have been expended for Marketing; (ii) any unused portion of funds held by the Marketing Funds is transferred to another designee; or (iii) the unused portion of funds held by the Marketing Funds is refunded to the then-existing franchisees on a pro rata basis

based on a reasonable estimate of their contributions as a percentage of total contributions during the preceding full 12-month period.

The Marketing Funds shall be used to meet the costs of Marketing and administrative expenses. On an annual basis, we may expend or allocate up to 20% of monies collected by the Marketing Funds or a cooperative as formed under Paragraph 12.8 below, for reasonable salaries, administrative costs and overhead, if any, as we may incur in connection with administration, management or operation of the Marketing Funds or a cooperative. This 20% does not include the cost of employing independent contractors or agencies to administer, create, distribute, place, publish or otherwise provide products or services to the Marketing Funds or cooperatives.

So long as a reasonable accounting is kept of the Marketing Funds so that income and expenses related to the Marketing Funds may be determined, the Marketing Funds may be maintained by a separate accounting from that used by us for our regular business. We are not required to provide audited financial statements for the Marketing Funds or any cooperatives that we establish under this Paragraph 12. However, within 120 days after the end of each fiscal year, upon your request we will provide an annual financial statement indicating the general use and expenditure from the Marketing Funds for each fiscal year.

The Marketing Funds or cooperatives may borrow money and pay interest or establish credit from us or other entities. Payments of interest may be deducted from the Marketing Funds or cooperatives. We may receive money from the Marketing Funds for goods and services provided to the Marketing Funds.

Certain vendors may contribute money for Marketing. There is no requirement or assurance that such vendors will continue to contribute money for Marketing. We may direct amounts contributed by vendors and designated for Marketing to the Marketing Funds.

12.4 ALTERNATE COLLECTION METHODS: We may establish alternate methods of collecting any of the Marketing Fees. Alternate methods may include collecting a price differential from you on the price of certain products or services that are required to be purchased by you as part of the System under Paragraph 8. If an alternate method is used to collect the Marketing Fees, then on an annual basis we shall compare the amount collected with the amount which would have been collected as if such amounts had been determined by not using the alternate method of collection. The alternate methods of collecting any of the Marketing Fees shall not exceed the Marketing Fees which would have been collected by not using the alternate method of collecting any of the Marketing Fees. If there is a deficiency between the alternate method and what should have been collected, then we may collect such deficiency from you. You must pay any deficiency within 30 days after receipt of the invoice. Failure to pay any deficiency in a timely manner will subject the deficiency to the Late Fee and Interest Fee. We will refund any excess amount collected from you within 30 days of the reconciliation.

12.5 MARKETING PLANS: If we decide not to collect the entire Marketing Fee from you pursuant to Paragraph 12.1(c) above, then we may require you to submit to us a Marketing Plan on a quarterly or annual basis which accounts for your administration and expenditure on Local Marketing of the amounts of the portion of the Marketing Fee that we have chosen not to collect from you. If you are required to submit a Marketing Plan, we will provide you with at least 30 days written notice indicating when the Marketing Plan must be submitted to us. The Marketing Plan shall be submitted to us in a manner and in such detail as prescribed by us from time to time in the Manual.

The Marketing Plan must be approved by us. We shall have 30 days after receipt of the Marketing Plan to object to all or a portion of the Marketing Plan. If we fail to object within 30 days, then you shall spend that portion of the Marketing Fee that we decided not to collect from you in accordance with the Marketing Plan that you submitted to us. If we do not object to the Marketing Plan you submit to us, this will be considered our approval. However, it will not be considered a representation or guaranty of the effectiveness of the Marketing Plan you submit to us. If we object to the Marketing Plan you submit to us, you will make changes as reasonably prescribed by us. Although we may have approved a Marketing Plan you submit to us in the past, this does not mean that future or different Marketing Plans you submit to us are approved.

12.6 ADVERTISING AND MARKETING MATERIALS: Except for any limitations that we may have with respect to pricing in accordance with Paragraph 8.5, we have sole discretion over the creative concepts, materials, media, placement and allocation of resources and funds used by the Marketing Funds.

All Marketing materials (including coupons) shall be produced using our visual asset library. If we do not maintain a visual asset library, then any materials that you use for Marketing must meet our System standards (as described in the Manual) and are subject to our prior written approval.

You must submit proposed Marketing materials for our approval prior to their production, distribution or use. Submission of any proposed Marketing materials in accordance with this Paragraph 12.6 shall be submitted in accordance with the Manual. If we fail to object within 10 days of receiving the materials, then the materials are approved. If we object to the Marketing materials, you will make changes as reasonably prescribed by us. Although we may have approved Marketing materials in the past, this does not mean that future or different Marketing Materials are approved. We can revoke any previous approval or object to the use of any Marketing materials by you at any time, even if we previously approved such Marketing materials. You are not permitted to use or must discontinue the use of Marketing materials that we revoked or object to immediately after we provide you written notice.

12.7 NO FIDUCIARY DUTY: Nothing contained in this Paragraph 12 shall be construed as creating a fiduciary, trust or similar obligation on us in the administration, management or operation of the Marketing Funds.

12.8 COOPERATIVES: We may designate a geographical area for the purposes of establishing cooperatives, as well as to determine whether a cooperative is applicable to the Restaurant. It is our intention to define cooperative areas and whether a cooperative is applicable to the Restaurant by DMA, but we reserve the right to define it in a different manner. If we establish a cooperative, you must be a member of and participate in the cooperative in accordance with the rules governing the cooperative that we may establish from time to time. We may direct that all or a portion of your Marketing Fee be deposited into the cooperative. Each cooperative will be organized for the purpose of administering Local Marketing Funds and conducting Local Marketing for members of the cooperative. We shall administer, manage, operate, form, change, dissolve or merge any cooperative in our sole discretion.

12.9 INDEPENDENTLY OWNED AND OPERATED: You shall include the following language in all advertising: "Stores are independently owned and operated."

12.10 GRAND OPENING: We will in Good Faith use the Franchise Grand Opening Fee to pay the costs of promoting the opening of the Restaurant.

12.11 RE-OPENING MARKETING FEE: If the Restaurant: (i) relocates; (ii) closes for any reason and re-opens; or (iii) a Transfer takes place in accordance with Paragraph 17.2, you must pay the appropriate Re-Opening Marketing Fee. You shall deposit the Re-Opening Marketing Fee with us on the date the Restaurant relocation is approved by us, when a re-opening date is submitted to us for our consent or when a Transfer is approved, as applicable. We will use the Re-Opening Marketing Fee on Marketing that is designed to promote the Restaurant.

12.12 SOCIAL MEDIA AND INTERNET MARKETING: The Manual will establish standards and specifications for your use of Social Media. You must strictly abide by these standards and specifications. Such standards and specifications may be changed from time to time.

You must obtain our prior written consent to use, register, maintain or sponsor any Social Media. You shall not allow your customers to view Social Media unless you have received advance written approval from us. You shall be responsible for any content you post to Social Media. We will be and at all times remain the sole owner of the copyrights for all materials which appear on Social Media.

12.13 GIFT CARD, LOYALTY & REWARD PROGRAMS: We may require you, at your own expense, to participate in and comply with the requirements of the Gift Card Program, which may require you to:

(a) Purchase the software, hardware, blank cards and other items needed for the Gift Card Program, from a Designated Supplier;

(b) Obtain additional equipment as part of your POS System or other Technology System from a Designated Supplier;

(c) Pay such monthly and per-swipe transaction fees as may be required by a Designated Supplier of the Gift Card Program; and

(d) Not sell, issue, utilize or redeem gift cards or certificates, loyalty cards or programs or rewards programs other than the Gift Card Program.

The Manual will establish any and all rules, guidelines, standards and specifications regarding your use, distribution and redemption of the Gift Card Program.

12.14 PROMOTIONAL PROGRAMS: You acknowledge that periodic rebates, giveaways and other promotions and programs are an integral part of the System. Accordingly, you may be required, at your sole cost and expense, from time to time, to issue and offer such rebates, giveaways and promotions in accordance with any reasonable advertising programs we establish. You will honor any rebates, giveaways and other promotions we issue, so long as none of the above violates regulations and laws of the appropriate governmental authorities.

If you offer any rebates, giveaways, or promotions, you shall not attempt to seek nor will we reimburse you for the cost of such rebates, giveaways, or promotions.

13. INSURANCE AND INDEMNIFICATION

13.1 INSURANCE COVERAGE: You shall at all times maintain the following insurance coverage:

(a) Workers' compensation and occupational disease insurance with minimum limits as prescribed by law and employer's liability of limits not less than bodily injury by accident of not less than \$1,000,000.00; bodily injury by disease (each accident) of not less than \$1,000,000.00; and bodily injury by disease (policy limit) of not less than \$1,000,000.00 per employee with an alternate employer's endorsement;

(b) Comprehensive general liability insurance, including products liability coverage of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate. This policy will provide a waiver of subrogation in our favor and be primary and non-contributory to any policy(ies) we might carry. Defense costs must not erode the policy limits;

(c) Automobile liability insurance for all owned, non-owned and hired vehicles not less than \$1,000,000.00 per occurrence. Defense costs must not erode the policy limits;

(d) Business income and extra expense insurance with an extended period of indemnity of 180 days, with minimum amounts equal to actual loss sustained;

(e) Business property insurance, including equipment, furniture, fixtures and improvements and inventory at a minimum coverage of 100% of replacement cost;

(f) Employment practices liability insurance covering wrongful acts commonly arising from the employment process, including wrongful termination, discrimination, sexual harassment, retaliation, defamation, invasion of privacy, false imprisonment, breach of contract, emotional distress violations, including wage and hour defense coverage of \$50,000.00, with a limit in an amount of not less than \$500,000.00 in the aggregate, a retention or deductible of not more than \$10,000.00 and appropriate policy language or an endorsement providing third party coverage. This policy must also include us as co-defendant. Such coverage may be in a "claims made" form;

(g) Umbrella or excess liability insurance in an amount equal to \$2,000,000.00 to be in excess of general liability, employer's liability, and auto liability; and

(h) Special loss "all risk" property coverage insurance for the restaurant build-out and contents for full replacement cost value.

(i) Other insurance as may be reasonably required by us.

13.2 INCREASE IN COVERAGE LIMIT: From time to time and in our sole discretion, we shall have the power to change the type of insurance coverage required and the limits, including increases to the coverage limit. We may inform you of such changes through changes in the Manual or otherwise.

13.3 PREMIUMS: All premiums for insurance described in this Paragraph 13 shall be paid by you.

13.4 POLICIES AND CARRIERS: All insurance policies and insurance carriers are subject to our reasonable approval, however, with not less than an A-XV rating by A.M. Best Company, Inc. Each Liability insurance policy (except for Employment Practices Liability) shall:

- (a) Name us as an additional insured;
- (b) Provide us with 30 days' notice prior to cancellation of such insurance coverage or policies;
- (c) Give us the right but not the duty to pay any premium due to avoid cancellation of such insurance; and
- (d) Contain a specific provision or endorsement that, although we are named as an additional insured on any general liability and property damage policies, we will be entitled to recover under such policies for any loss incurred by us, our employees or agents, by reason of the negligence of you or your employees and agents.

13.5 PROOF OF INSURANCE: Before you open for business and 30 days prior to any renewal or replacement, you shall furnish us with certificates of insurance, which evidence your compliance with the requirements of this Paragraph 13. In addition, you shall provide proof of insurance within 5 days of any request by us.

13.6 CONTINUED PAYMENTS DUE TO CASUALTY: You shall continue to pay the Recurring Fees even if the Restaurant is not doing business as a result of a Casualty.

13.7 RENEWAL OR REPLACEMENT POLICY: Prior to the expiration of any existing insurance policy, you shall provide proof of the renewal of such policy or the acquisition of a replacement or substitute policy.

13.813.9 INSURANCE FEE: If you do not fully comply with the requirements of this Paragraph 13, we may impose the Insurance Fee, which is paid by you to us, for each Accounting Period or any fraction thereof until you have fully complied. The Insurance Fee shall be due 10 days after we issue an invoice for the Insurance Fee.

13.10 INSURANCE FROM A DESIGNATED SUPPLIER: We reserve the right and may require you to obtain casualty, liability, workers' compensation, non-owned auto and similar insurance from a Designated Supplier. We may inform you of such Designated Supplier through changes in the Manual or otherwise.

13.11 INDEMNIFICATION FOR LOSS OR DAMAGE DURING CONSTRUCTION AND OPERATION OF RESTAURANT: To the fullest extent permitted by law, you shall indemnify, defend, and hold harmless the Indemnified Parties from and against, and reimburse any one or more of the Indemnified Parties for, any and all Claims, except as specifically set forth below in this Paragraph.

Each Indemnified Party may at your expense defend and control the defense of any Claim against it that is subject to this indemnification, and you may not settle any Claim or take any other remedial, corrective, or similar actions relating to any Claim without the Indemnified Party's consent. This Paragraph will continue in full force and effect after and notwithstanding expiration or termination of this Agreement. An Indemnified Party need not seek recovery from an insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain

and recover fully a Claim against you. Failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts an Indemnified Party may recover from you.

Notwithstanding the foregoing, you have no indemnification obligation under this Paragraph if a court of competent jurisdiction makes a final decision not subject to further appeal that we, our affiliates, or any of our or their respective employees directly engaged in willful misconduct or intentionally caused the property damage or bodily injury that is the subject of the Claim, so long as that Claim is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or employment), joint employer liability, or our failure to compel you to comply with this Agreement, which are Claim for which we are entitled to indemnification under this Paragraph.

Your obligations to indemnify, hold harmless and defend and provide notice of a Claim pursuant to this Paragraph 13.11 will survive the expiration or earlier termination of this Agreement.

13.12 NO LIMITATIONS OR ESTOPPEL: Your obligation to obtain and maintain the insurance specified by this Paragraph 13 will not reduce or relieve you of your indemnification obligation provided in Paragraph 13.11.

14. SERVICE MARKS AND TRADEMARKS

14.1 OWNERSHIP AND USAGE OF THE MARKS: You acknowledge that the names “Hungry Howie’s”® and “Hungry Howie’s® Flavored Crust® Pizza” as well as the following commercial symbols are Marks owned exclusively by us:



Substantial goodwill is associated with and attached to the Marks and the System. Any goodwill associated with the System and the Marks, including any goodwill that might be deemed to have arisen through the activities of you or the Restaurant, will inure directly and exclusively to our benefit.

We and our licensees have the right to use the Marks. The Marks are licensed to you by us and you shall use the Marks only in the manner and to the extent specifically permitted by this Agreement. You do not acquire any ownership interest in the Marks as a result of this Agreement, as a result of our use of the Marks, or as a result of your use of the Marks. Any use by you of the Marks inures to our benefit. We reserve the right to modify or discontinue use of any of the Marks or use one or more additional or substitute names or marks if, in our sole discretion, it becomes advisable to do so. The System is identified by use of the Marks as currently designated, or as may be designated by us in the future.

14.2 EXCLUSIVITY OF THE USE OF THE MARKS: Your right to use the Marks is non-exclusive and we, in our sole discretion, have the right to grant similar rights to others under such terms and conditions as we deem fit, and to operate restaurants under the Marks, subject only to the provisions of this Agreement.

14.3 CONTESTING THE MARKS: During and after the Term, you shall not directly or indirectly contest or aid in contesting the validity or ownership of the Marks.

14.4 CLAIMS ARISING FROM THE MARKS: You shall promptly notify us of any claim, demand or suit against you or us, based upon or arising from the use or attempted use of any of the Marks and or any variation of the Marks by any other person or entity.

14.5 PROTECTION FROM INFRINGEMENT OF THE MARKS: You shall promptly advise us of any unauthorized use of the Marks by third parties of which you become aware. We have the sole right, but no obligation to take whatever action we may deem appropriate, in our sole discretion.

We shall defend you against any claim, demand or suit against you concerning the Marks, provided you use the Marks in accordance with the terms and conditions of this Agreement. However, we shall have the exclusive right and sole discretion regarding actions to be taken in response to such claims.

14.6 USE OF THE MARKS IN BUSINESS NAMES OR SALE: In no event shall you use, cause to be used or attempt to use the words “HUNGRY HOWIE’S”, “HUNGRY”, “HOWIE’S”, or the initials “H.H.”, as part of or as your business name, or as an assumed name unless it is in the form that we shall prescribe from time to time, or as part of a domain name, homepage, Electronic address or otherwise in connection with a website, without our express written consent. You may file an assumed name certificate in the state in which you do business that identifies the entity by store number. You shall not use the Marks in any public advertisements offering the Restaurant, the Restaurant Assets or any Ownership Interest for sale.

14.7 PURCHASE OF PROPERTY: You shall not purchase or acquire any property or incur any obligation or indebtedness under the name of “HUNGRY HOWIE’S” or any name other than your personal or approved business name.

14.8 NEW CONCEPTS: Any new concept, trademark, service mark, copyright, process, improvement, slogan or recipe developed in the operation of the Restaurant will become our property and we may utilize this information as we deem appropriate without compensation to you, including but not limited to disclosing it to other franchisees, filing for any trademark or service mark or copyright registration in our name alone. If you develop any new concept, trademark, service mark, copyright, process, improvement, slogan or recipe in the operation of the Restaurant, you will promptly notify us and provide us with all reasonable documentation and information without compensation as we may require.

14.9 USE OF THE MARKS IN EMPLOYMENT-RELATED MATERIALS: You are not permitted to use any Mark in employment-related materials and must include clear language that you (and only you) are the employer of employees at the Restaurant and that Hungry Howie’s, as the franchisor of Hungry Howie’s Restaurants, is not their employer and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

15. THE MANUALS AND CONFIDENTIAL INFORMATION

15.1 ACCESS TO MANUAL: We shall provide you access to the Manual in a reasonable manner which we may designate from time to time, including a physical printed copy or access via a website or other Electronic media. The Manual shall, at all times, be on loan to you and shall remain our sole and exclusive property and shall be returned to us immediately upon request or access may be denied upon the termination or expiration of the Term. We have

no obligation to protect your right to use the Manual, nor do we have any obligation to protect you against or prosecute claims on your behalf arising out of claims of infringement or unfair competition arising out of the use of the Manual by or third parties.

15.2 CONTENTS AND REVISIONS OF THE MANUALS: The Manual includes all additions, revisions, replacements and new volumes. At our discretion, we may periodically add, revise, replace, supplement and amend the Manual and convey these additions, revisions, replacements, supplements and amendments by any manner reasonably calculated by us to provide you adequate notice of these additions, revisions, replacements, supplements and amendments including publishing them in our newsletter, posting them on the Website, emails, text messages or otherwise announcing them. Any standard, specification, policy or procedure in the Manual may be modified by us unilaterally under any condition and to any extent that we deem necessary or advisable in our discretion to meet the competition, protect or enhance the Marks or the System, or to alter or amend the Menu Items, products or services of the System. In the event the Manual is posted to the Website, you shall access such site and shall continuously monitor the same for all additions, revisions, replacements, supplements and amendments. We shall not be required to provide specific formulations of ingredients that we deem to be a trade secret and may designate such ingredients in general terms.

15.3 CONFIDENTIAL INFORMATION: When you sign this Agreement, you and the Owners shall execute the Confidentiality Agreement in substantially the form attached as **Attachment J**. We may also require that your officers, members, managers, partners, directors, employees, contractors or suppliers execute the Confidentiality Agreement.

If you require your or the Restaurant's employees to execute a confidentiality or nondisclosure agreement, such confidentiality or nondisclosure agreement must name us as a third-party beneficiary and be approved in advance by us. Our approval is solely to ensure that you adequately protect our trade secrets, Confidential Information, knowledge, and know-how. Under no circumstances will we control the forms or terms of employment agreements you use with your or the Restaurant's employees or otherwise be responsible for your Employment Practices. You are liable to us for any unauthorized disclosure by any of your directors, officers, employees, or agents.

15.4 AGREEMENT CONFIDENTIAL: Except as provided below, the terms of this Agreement and any exhibits, attachments, amendments, or addendums thereto, shall be confidential. You shall not divulge, disclose or discuss, directly or indirectly, the terms of this Agreement with any individual or entity, including, but not limited to, our franchisees. Your agreement to keep the terms of this Agreement confidential shall remain in force during and after the expiration of the Term including any extensions thereto. The above shall not be construed in any way as limiting your ability to discuss or provide for review this Agreement to your professional advisors including attorneys, accountants, counselors or employees for the purpose of providing you advice or guidance in evaluating this Agreement. You may also discuss or provide the terms of this Agreement to a potential Transferee, provided that you first provide 5 days advance written notice directed to Hungry Howie's "Development Department" and any potential Transferee and/or its officers, directors, shareholders, members, partners, managers and employees executes and delivers to us the Confidentiality Agreement.

16. COVENANTS

16.1 IN-TERM COVENANT: During the Term, neither you nor any Owner or Guarantor shall, directly or indirectly, through or on behalf of, or in conjunction with, any person or legal entity:

(a) Engage in any activity in competition with the System, including but not limited to involvement, whether as an owner, officer, director, employee, lender, advisor, consultant, recruiter or otherwise, of any business engaged in the retail sale of pizza, submarine sandwiches and other products similar to our designated menu items, other than at the Restaurant;

(c) Furnish or permit access to our Confidential Information to any person who is engaged or has arranged to become engaged in any activity in competition with the System, including but not limited to involvement, either as an owner, officer, director, employee, lender, advisor, consultant, recruiter or otherwise, of any business engaged in the sale of pizza other than at the Restaurant;

(d) Divert or attempt to divert any business or customer from Hungry Howie's or any Hungry Howie's Unit;

(e) Construct, equip, help, aid or assist any person or entity in the construction of or equipping of any premises incorporating our trade dress, distinctive features or equipment layout; or

(f) Solicit any franchise candidate to purchase or transfer the Restaurant or your rights to this Agreement or your Territory if you come into contact or communication with a prospective franchise candidate of Hungry Howie's, including but not limited to an instance in which you or your Owners are contacted by a prospective franchisee candidate during said candidate's validation process with Hungry Howie's.

If any court of competent jurisdiction determines that this covenant is unenforceable because it is too broad, the scope of this covenant shall be deemed to be automatically restricted to the extent necessary to be enforceable by such court.

16.2 POST-TERM COVENANT: Regardless of the cause (whether by expiration, termination or Transfer) and for a period of 12 months after the Term, neither you nor any Owner or Guarantor shall, directly or indirectly, through or on behalf of, or in conjunction with, any person or legal entity:

(a) Engage in the sale of pizza (i) at the former Restaurant; (ii) within 5 miles of the former Restaurant; or (iii) within 5 miles of any Hungry Howie's Unit;

(b) Divert or attempt to divert any business or customer from any Hungry Howie's Unit; or

(d) Construct, equip, help, aid or assist any person or entity in the construction or equipping of any premises incorporating the trade dress, distinctive features or equipment layout which we have originated and developed, and which are identifying characteristics of Hungry Howie's Units.

If you or any Owner or Guarantor does not begin to comply with the above-listed restrictions immediately, such 12 month period for such non-compliant person or entity shall not begin until the date on which such person begins to the comply with such restrictions (whether or not due to the entry of a court order enforcing this provision). The running of the 12-month period will be suspended whenever you or any Owner or Guarantor breaches this Paragraph 16.2 and will resume when such person or entity resumes compliance.

If any court of competent jurisdiction determines that this covenant is unenforceable because it is too broad, the scope of this covenant shall be deemed to be automatically restricted to the extent necessary to be enforceable by such court.

17. TRANSFER OF FRANCHISE

17.1 RIGHT OF FIRST REFUSAL: Prior to any Transfer, a Seller must first provide us a Right of First Refusal. Our Right of First Refusal shall be provided to us in accordance with the following terms and conditions:

(a) The Seller shall first obtain an Offer from a bona fide third party Transferee; then,

(b) The Seller shall forward a copy of the Offer to us; then,

(c) Within 10 days following receipt of the Offer, the Seller shall forward to us whatever information pertinent to the business and operations of the Restaurant that we may request to enable us to evaluate the Offer, including but not limited to, a Financial Statement and Financial Information as of the end of your most recent fiscal year and quarter; then,

(d) The Seller must warrant the accuracy of all such information concerning the business and operation of the Restaurant; and then,

(e) Within 30 days following the completion of Paragraph 17.1 (a), (b), (c) and (d) we have the right to accept the Offer upon the terms and conditions contained in the Offer.

(f) If we accept the Offer, we must do so in writing and consummate the Transfer upon substantially the same terms and conditions contained in the Offer;

(g) If we decline the Offer or fail to respond within 30 days as provided in Paragraph 17.1 (e), the Seller may accept the Offer and consummate the Transfer to the bona fide third party Transferee upon substantially the same terms and conditions as set forth in the Offer;

(h) If the Transfer to the bona fide third party Transferee is not consummated upon substantially the same terms and conditions as set forth in the Offer within 60 days after expiration of our Right of Refusal, then the Transfer shall again become subject to our Right of Refusal described in this Paragraph 17.1; and

(i) Notwithstanding anything in this Paragraph 17.1 to the contrary, all Transfers are subject to the provisions of Paragraph 17.2.

17.2 CONDITIONS OF TRANSFER: A Transfer of the Restaurant Assets or Ownership Interest shall only be effective with our prior written consent which shall not be unreasonably

withheld or conditioned. Any Transfer shall, in addition to the Right of First Refusal described in Paragraph 17.1, be subject to all of the following terms and conditions, unless such terms and conditions are contrary to any applicable law which governs your right to a Transfer:

- (a) The Transferee meets all of our then-current qualifications or standards;
- (b) In our reasonable discretion, the Transferee has a satisfactory credit rating and sufficient financial resources to operate the Restaurant;
- (c) In our reasonable discretion, the Transferee has the satisfactory business reputation, business experience and moral integrity to operate the Restaurant;
- (d) The Transferee is not a competitor of ours or of any Hungry Howie's Unit;
- (e) The Transferee has provided us with all completed applications and forms and other information required by us to make a determination if the Transferee meets our then-current qualifications or standards;
- (f) The Transferee agrees in writing to accept all of the Seller's rights, obligations and liabilities under this Agreement;
- (g) At our election, the Transferee executes the New Agreement;
- (h) If the Transferee is not a natural person, all Owners of the Transferee must execute the Guaranty;
- (i) The Transferee executes customary or appropriate sale, transfer or assignment documents and agreements containing terms and conditions reasonably satisfactory to us;
- (j) The Seller or the Transferee pays all amounts due to us and our Designated Suppliers and cures any Franchisee Default through the date of the Transfer;
- (k) The Seller or the Transferee pays all amounts due and owing for federal, state and local income, sales, use, service, payroll or other taxes due and owing as a result of the Restaurant's operations;
- (l) The Seller and all of its Guarantors must execute the General Release;
- (m) If the Transfer involves installment payments by the Transferee to the Seller, the Seller executes a subordination agreement under which the Seller subordinates the Transferee's right to receive any installment payments to our right to receive any and all amounts due to us under this Agreement or the New Agreement. The subordination agreement shall be on a document containing terms and conditions satisfactory to us in our reasonable discretion;
- (n) The Seller or Transferee pays us the Transfer Fee;
- (o) The Operator successfully completes the Operator Training Program prior to the consummation of the Transfer;

(p) The Designated Franchisee successfully completes the Designated Franchisee Training Program prior to the consummation of the Transfer;

(q) Although the Upgrades may not be required more frequently than every 5 years, the Transferee must complete the Upgrades to our then-current standards;

(r) The Transferee must spend the Re-Opening Marketing Fee in accordance with Paragraph 12.11;

(s) If there is a Transfer of more than 49.9% of any legal or beneficial Ownership Interest, whether such Transfer is in either a single transaction or series of transactions and regardless of the period of time during which the Transfer occurs, the Franchisee shall pay the Transfer Fee;

(t) Upon our request, the Transferee and its officers, directors, shareholders, members, partners and employees shall execute the Confidentiality Agreement; and

(u) Prior to the consummation of the Transfer, the Restaurant is continuously open and conducting business the ordinary course of business and in compliance with this Agreement.

17.3 DEATH, DISABILITY OR PERMANENT INCAPACITY: In the event of the death, disability or permanent incapacity of the Designated Franchisee, the Franchisee or his/her personal representative shall have 180 days to replace the Designated Franchisee and complete a Transfer in accordance with Paragraph 10.2 and Paragraph 17.2. If the Transfer is not complete within 180 days of the death, disability or permanent incapacity of the Operator, this Agreement shall automatically terminate. Subject to the provisions of Paragraph 17.2, this Agreement may be transferred to the spouse or heirs of the deceased, or permanently disabled or incapacitated individual.

17.4 SALE OF SECURITIES: Any Securities Offering must first be approved in principle by us. You shall submit to us for our review all Securities Offering Documents. You shall give us written notice at least 60 days prior to the date of commencement of any Securities Offering. For each Securities Offering, you shall reimburse us for our out-of-pocket costs and expenses, including the cost of outside or in-house counsel to review the Securities Offering or Securities Offering Documents and to render a legal opinion on our behalf as we deem necessary. Prior to and during our review of the Securities Offering Documents we shall require you, from time to time, to pay us a sum of money that we shall reasonably deem sufficient to cover our out-of-pocket costs and expenses. If, after the review, there shall be any deficiency in the amount of money you paid to us and our out of pocket expenses you shall reimburse us as provided in Paragraph 6.2. If after the review, there shall be excess monies from the amount of money you paid to us and our out of pocket expenses we shall reimburse you within 10 days. Your obligation to pay us our out of pocket expenses is not dependent on us providing you our written approval as provided below.

The Securities Offering Documents shall not be submitted to a government agency or to prospective investors until we have furnished our written approval. No Securities Offering Documents shall imply, by use of the Marks or otherwise, that: (i) we are participating as an underwriter, issuer or offeror of the Securities Offering; (ii) we are participating as an underwriter, issuer or offeror of our own securities; (iii) we have approved the Securities Offering Documents; or (iv) we have approved any other aspect of the Securities Offering. Any review by us of the

Securities Offering or Securities Offering Documents shall be conducted solely for our benefit to determine its conformance with our internal policies, and not to benefit or protect any other person or entity. No investor should interpret such review by us, nor shall you or anyone acting on your behalf suggest, that our review constitutes an approval, endorsement, acceptance, or adoption of any representation, warranty, covenant, or projection contained in Securities Offering or Securities Offering Documents. The Securities Offering Documents shall clearly be marked with a disclaimer or statement in a form and manner specified by us. If we object, the Securities Offering Documents shall not be used unless we withdraw our objections. You and others participating in the Securities Offering, must agree to indemnify, hold harmless and defend us consistent with the provisions of Paragraph 13.11. You and others participating in the Securities Offering must also execute and deliver to us any documents that we may reasonably require to evidence the above obligation to indemnify, hold harmless and defend. Any Securities Offering shall be subject to our Right of First Refusal as provided in Paragraph 17.1 all of terms and conditions of Paragraph 17.2.

17.5 OWNERSHIP IDENTIFICATION: Within 7 days of our written request, you shall furnish us with a sworn affidavit under penalties of perjury that sets forth: (i) the name of each Owner; (ii) the number of shares and class of shares owned by each Owner if you are a corporation; (iii) the percentage of membership interest, ownership and class of interest if you are a limited liability company or partnership; (iv) your officers and directors if you are a corporation; (v) such other information necessary to identify ownership and control of the Franchisee; and (vi) if you are a corporation, partnership or limited liability company, the affidavit shall be accompanied by a certificate of good standing from your state of organization.

17.6 TRANSFER BY US: We shall have the right to sell, transfer or assign all or any part of our rights or obligations under this Agreement to any person or legal entity. With respect to any assignment which results in the subsequent performance by the assignee of all of our obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all of our obligations under this Agreement from the date of assignment. In addition, and without limitation to the foregoing, you expressly affirm and agree that we may sell our assets, Marks or the System; and may sell our securities in a public offering or in a private placement; and we may merge, acquire other corporations or be acquired by another corporation; and may undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring.

18. DEFAULT AND TERMINATION

18.1 FRANCHISOR DEFAULT: If you believe we have committed a Franchisor Default, you are required to provide us a Default Notice and a 60-day opportunity to cure the Franchisor Default. If we fail to effectuate a cure of the Franchisor Default within 60 days, you will have the right to terminate this Agreement by giving us an additional 30 days written notice of your election to terminate this Agreement.

18.2 FAILURE TO OPEN - OPTION TO TERMINATE: If the Restaurant is not open for business within 1 year after the Effective Date, this Agreement may be terminated at our option by providing you a Default Notice. The Default Notice will provide you 60 days from the date of the Default Notice to open the Restaurant for business. If the Restaurant is not open for business within such 60-day period, no further Default Notice will be required and we shall keep the Franchise Fee paid by you. You must meet all other requirements to open for business as required by this Agreement.

18.3 FAILURE TO OPEN - AUTOMATIC TERMINATION: If the Restaurant is not open for business within 2 years after the Effective Date, this Agreement shall automatically terminate without the need for a Default Notice and we shall be entitled to keep the any fees paid by you.

18.4 TERMINATION DUE TO CASUALTY: If there is a Casualty such that you cannot open the Restaurant for business for 3 or more consecutive days, you must notify us in writing within 10 days after the Casualty. You must make best efforts to rebuild, open the Restaurant for business in the manner prescribed in Paragraph 3 within 180 days of the casualty. If after making such best efforts, you cannot open for business in the manner prescribed in Paragraph 3 or you have less than 18 months remaining on your Lease as of the date of the Casualty, you may elect to terminate this Agreement. If you make this election, this Agreement shall automatically and immediately terminate without the need for further notice required by either you or us. Upon termination, you shall be subject to all of the provisions in this Agreement including those contained in Paragraph 18.13.

18.5 FRANCHISEE DEFAULT: You shall be in default under this Agreement upon the occurrence of any of the following events ("Franchisee Default"):

(a) You fail to pay to us any Recurring Fees, Other Fees or any other amounts due us;

(b) You fail to furnish Financial Statements and/or Financial Information required by Paragraph 7.2;

(c) You fail to use a Designated Supplier or pay any amount owed a Designated Supplier;

(d) You operate the Restaurant under any name other than "Hungry Howie's®" or "Hungry Howie's® Flavored Crust® Pizza", in violation of Paragraph 10.1;

(e) You fail to continuously operate the Restaurant in violation of Paragraph 10.4;

(f) You fail to maintain insurance, provide us proof of insurance, provide us notice of a Claim, fail to indemnify, hold harmless or defend a Claim or you fail to abide by any other obligation as required by Paragraph 13;

(g) You use or take action against the Marks in violation of Paragraph 14;

(h) You use or disclose our confidential or proprietary information in violation of the Confidentiality Agreement in Paragraph 15.4;

(i) Any violation of the covenants in Paragraph 16.1;

(j) A Transfer in violation of Paragraph 17;

(k) Within 90 days after curing any Franchisee Default during any prescribed cure period under Paragraphs 18.7 or Paragraph 18.8, there is a subsequent Franchisee Default which is substantially the type of Franchisee Default cured during the prescribed cure period, without regard to whether the subsequent Franchisee Default is cured following a Default Notice

to you. In such instance, you agree that by the nature of such Franchisee Default no cure can be effectuated;

(l) There have been 3 or more Franchisee Defaults during the Term of this Agreement, without regard to whether any previous or current Franchisee Default has been cured following notice to you by us. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated;

(m) You, an Owner or a Guarantor make a material misrepresentation in connection with your acquisition of the Franchise inducing us to enter into this Agreement with you. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated;

(n) Any conduct by you, an Owner or any Guarantor which reflects materially and unfavorably upon the operation or reputation of the System and which by its nature cannot be reasonably cured;

(o) A conviction, guilty plea or plea of no contest to a felony, or other criminal offense relevant to the operation of the Franchise by you, an Owner or any Guarantor. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated;

(p) Any conduct by you, an Owner or any Guarantor related to the Restaurant that we reasonably determine may constitute an imminent danger to public health or safety. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated;

(q) Any dissolution, merger or reorganization by you, an Owner or any Guarantor. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated;

(r) Insolvency or the commencement of any proceedings under any federal bankruptcy or state insolvency law, the assignment of assets for the benefit of creditors, or the appointment of a receiver, trustee or similar person to oversee your business, affairs or assets or those of an Owner or any Guarantor. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated;

(s) The entry of any judgment against you, an Owner or any Guarantor, or any judgment which affects any of your assets, the Restaurant Assets, Ownership Interest or the operation of the Restaurant, that is not satisfied or indemnified against to our satisfaction within 10 days of its entry;

(t) Any default by you, an Owner or any Guarantor, which is not cured within any applicable cure period, of any other agreement executed in connection with another Hungry Howie's Unit which is under the common control or ownership of you, an Owner or Guarantor, whether under a franchise agreement or other agreement with us. In such instance, you agree that that by the nature of such Franchisee Default no cure can be effectuated; or

(u) You, an Owner or any Guarantor commits any other material breach of any of the terms of this Agreement not described in Paragraph 18.5(a) through 18.5(t).

18.6 TERMINATION WITHOUT THE OPPORTUNITY TO CURE: Upon any Franchisee Default described in Paragraph 18.5(h) through Paragraph 18.5(t), we may elect to terminate this Agreement at any time, immediately after providing you a Default Notice and without providing you an opportunity to cure.

18.7 TERMINATION AFTER 7 DAYS NOTICE: Upon any Franchisee Default described in Paragraph 18.5(a) through Paragraph 18.5(g), we may elect to terminate this Agreement at any time upon providing you a Default Notice and a 7 day opportunity to cure the Franchisee Default.

18.8 TERMINATION AFTER 30 DAYS NOTICE: Upon any Franchisee Default described in Paragraph 18.5(u), we may elect to terminate this Agreement at any time upon providing you a Default Notice and a 30 day opportunity to cure the Franchisee Default.

18.9 NO FURTHER NOTICE: If we provide a Default Notice pursuant to Paragraph 18.6, Paragraph 18.7 or Paragraph 18.8 and you fail to effectuate a cure in the in period provided, if applicable, we will have the right to terminate this Agreement without the need to provide you any further notice.

18.10 RIGHT TO OTHER REMEDIES: If we elect to terminate this Agreement as provided in this Paragraph 18, we shall not be prevented or limited from recovering money damages from you or from obtaining an injunction or other legal or equitable remedies.

18.11 REMEDIES OTHER THAN TERMINATION: Prior to exercising any other remedies available to us, including termination of this Agreement, if you are in a Franchisee Default for any reason listed in Paragraph 18.5, then in addition to any right we may have to terminate this Agreement, bring a claim for money damages or injunctive relief, we shall, in our sole discretion, have the power to do any or all of the following:

(a) Suspend the listing of the Restaurant from all Marketing published or approved by us, including but not limited to print, the Website, Internet, online ordering or any form of Social Media;

(b) Prohibit you or your Owners from attending any meetings or seminars held, or sponsored by us;

(c) Suspend access to any computer, inventory control, enterprise reporting program, point of sale, online ordering, or a related or similar system provided to you by us;

(d) Direct any Designated Supplier to discontinue the sale of products and services to you;

(e) Suspend any or all services or approvals provided to you under this Agreement or otherwise, including, but not limited to, inspections, training, Marketing and operational assistance;

(f) Suspend or not permit you or your Owners to vote, cast a ballot or otherwise participate in decisions with respect to the Marketing Funds; or

(g) Assess a reasonable Administrative Fee, which we may periodically revise or amend by publication in the Manual or otherwise, but in no event will such Administrative Fee

be less than \$50.00 or more than \$500.00 for each event in which the Administrative Fee would be payable by you to us.

The actions we have outlined in this Paragraph 18.11 may continue until you have cured any Franchisee Default and complied with our requirements, and we have acknowledged the same in writing. The taking of any of the actions permitted in this Paragraph 18.11 shall not suspend or release you, an Owner or any Guarantor from any obligation that would otherwise be owed to us or our affiliates under the terms of this Agreement or otherwise, nor shall it preclude us from exercising any other right or remedy available to us, including specific enforcement or termination of this Agreement. Our election to not impose any of the actions available in this Paragraph 18.11 shall not waive or limit our right to impose any of those actions in the future. Should we suspend or terminate any benefit to you under this Paragraph 18.11, we shall have reasonable opportunity and time to reinstate any benefit to you if you have cured any Franchisee Default and provide us satisfactory proof of such cure.

18.12 FORCE MAJEURE: Neither we nor you shall be in default under this Agreement or liable for any delay or loss in the performance, failure to perform or interruption of any obligation under this Agreement resulting from a Force Majeure. Upon a Force Majeure, performance by the party affected by the Force Majeure shall be excused until the cause for the delay has been removed and the party delayed has had a reasonable time to again perform hereunder. Nothing in the foregoing sentence shall operate to delay your obligation to pay us all Recurring Fees or Other Fees due under this Agreement.

18.13 POST-TERMINATION OBLIGATIONS: Upon the termination of this Agreement or expiration of the Term:

(a) The Franchise and any rights you have under this Agreement shall terminate and you shall immediately cease to be a licensee of ours;

(b) You shall pay to us within 15 days after this Agreement expires or is terminated, or on any later date we determine the amounts due and owed to us, (and/or our affiliates or Designated Suppliers) including the Royalties, Marketing Fee, Late Fees and Interest that are then-unpaid;

(c) All property of ours in your possession must be promptly returned to us, including but not limited to the Manual;

(d) You must cease using the Marks and any variations thereof by which the public could be confused, deceived or misled and immediately remove any trade dress, distinctive features or equipment layout which we have originated and developed and which are identifying characteristics of the premises operated by you. These include:

(1) Exterior signage bearing the Marks;

(2) Marketing materials including posters, signboards, menu boards, decals, and promotional materials and images; and

(3) The distinctive colors and design elements associated with the trade dress of the System.

You agree to provide us photographic evidence which we may reasonably require to prove that you have complied with this Paragraph 18.13(d).

(e) You shall immediately cease using the telephone or facsimile number or numbers identified with or assigned to the Restaurant and shall assign such telephone or facsimile numbers to us. We shall have the power to use the Assignment of Telephone Numbers (**Attachment E**) for all purposes;

(f) We or our agents may enter the Restaurant and remove or permanently cover all signs or advertising identifiable in any way with our image or System without being deemed guilty of a trespass;

(g) In the case of the termination of this Agreement following a Franchisee Default, we shall have the option to acquire any or all of the Restaurant Assets, upon the terms and conditions of this Paragraph 18.13(g). The purchase price for the Restaurant Assets shall be their fair market value, assuming use in a fast food pizza business similar to the business conducted prior to the termination of this Agreement. There shall be no allowance for goodwill or other similar intangible asset. If your interest in the Restaurant Assets is a leasehold interest, the consideration for the assignment of the lease shall be limited to the assumption by us of your obligations under the lease with respect to the period of time commencing on the date of the lease assignment.

If we exercise this option, we shall notify you in writing within 45 days following the termination of this Agreement. In such notice, we shall set forth its estimate of the fair market value of the assets that we desire to purchase. If you and us cannot agree upon the fair market value of the assets that we desire to purchase, either we or you may request the American Arbitration Association pursuant to their Arbitration Guidelines to select a sole arbitrator, who in turn shall appoint an independent appraiser to determine the fair market value of such assets. This determination shall be binding upon the parties, except that we shall have 10 days to decline to purchase such assets for the value determined by the appraiser, by written notice to you. This manner of determining the fair market value of the Restaurant Assets shall be determined without regard to our desire to continue to operate the Restaurant or occupy the Restaurant premises. We and you shall each bear 50% of the cost of such arbitration.

In connection with the purchase of any Restaurant Assets pursuant to this Paragraph 18.13(g), we may Audit the books and records of the Restaurant, and solicit all known creditors and suppliers to determine the balance due and owing to them, if any, from you. We may then advise you as to any amounts due and owing to creditors and suppliers. If we determine that there are such creditors, you shall promptly furnish adequate evidence that such creditors have been paid in full. If any such amounts remain unpaid, we may pay the amounts due such creditors and deduct such amounts from the purchase price for the Assets otherwise due to you under this Paragraph 18.13. The balance of the purchase price, if any, shall be paid to you at the closing. The closing shall take place within 10 days following the agreement of us and you regarding the fair market value of the Assets to be purchased, or, if the fair market value of the assets is determined by an independent appraiser, within 10 days following the expiration of the 10 day period during which we may decline to purchase the assets at the appraised value.

(h) You shall fully abide by the covenants contained in Paragraph 16.2 which shall survive the expiration or termination of this Agreement; and

(i) In the event of the termination of this Agreement following a Franchisee Default, or if you terminate this Agreement without cause, you shall be liable to us for damages suffered by us, including lost future Royalty Fees to which we would have been entitled, but for the termination, had you operated the Restaurant for the remainder of the Term in compliance with this Agreement. Therefore, as to lost future Royalties, but not for any other damages suffered by Hungry Howie's, you shall pay us, within 60 days after termination, an amount equal to the minimum Royalty Fee for each Reporting Period for the remainder of the Term as if this Agreement had not terminated.

If any court or arbitration tribunal interprets the payment required under this Paragraph 18.13(i) not to be liquidated damages and determines the same to be invalid or unenforceable, because it is found to be either a penalty or not a reasonable estimate of actual damages, the amount of such payment shall be automatically amended to the extent necessary to be valid and enforceable by such court or arbitration tribunal.

The list of consequences of termination of this Agreement set forth in this Paragraph 18.13 is not intended to limit, exclude or act as a waiver of any other rights or remedies available to us, including the recovery of damages or equitable relief.

19. SECURITY INTEREST AND GUARANTY

19.1 SECURITY INTEREST AND COLLATERAL: You grant us a Security Interest in all of the Collateral to secure payment of any Indebtedness.

(a) ADDITIONAL DOCUMENTS: You will from time to time as required by us, execute any additional documents necessary for us to perfect our Security Interest in the Collateral (and any assignments, extensions or modifications thereof) in a form satisfactory to us.

(b) POSSESSION OF COLLATERAL: Upon Franchisee Default and termination of your rights under this Agreement, we shall have the immediate right to possession and use of the Collateral.

(c) REMEDIES: Upon the occurrence of a Franchisee Default, the full Indebtedness shall, at our option and without notice (unless required by applicable law), 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 UCC of the state in which the Restaurant is located, including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral is located. We may conduct a sale of the Collateral 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 below in this Agreement.

(d) FINANCING STATEMENTS: 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/or 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 UCC as in effect in the appropriate jurisdiction. You hereby authorize us to file and record such Financing Statements and related documents, in such locations, and with such persons and governmental offices as we deem appropriate, desirable, or necessary to perfect, effectuate, complete, preserve, and/or continue our Security Interest in

the Collateral. You hereby irrevocably appoint us, our agents and employees, as your lawful attorney-in-fact and agent with full power, authority and right to execute and file the Financing Statements, upon written notice to you, in your name and on behalf of you. Except as specifically provided herein, this Power of Attorney is irrevocable continuing and coupled with an interest.

19.2 GUARANTY: If you are not an individual, each Owner must execute the Guaranty at the time this Agreement or a New Agreement is signed. If there is a Transfer to a corporation, partnership or limited liability company, the individuals having an Ownership Interest in the Transferee must execute the Guaranty at the time the Transfer is consummated. Any individual who acquires an Ownership Interest in you after this Agreement is signed must execute the Guaranty at the time such Ownership Interest is acquired. Only Hungry Howie's may release a Guarantor from his obligations under the Guaranty.

20. RELATIONSHIP OF THE PARTIES

20.1 NO FIDUCIARY RELATIONSHIP: Nothing in this Agreement shall be construed so as to create a partnership, joint venture, agency (including general, special, limited and secret), fiduciary, trust or similar obligation or relationship between you and us.

20.2 YOU ARE AN INDEPENDENT CONTRACTOR: You are and shall be an independent contractor. None of your employees shall be deemed employees or joint employees of ours. You shall not obligate Hungry Howie's for any expenses, liabilities or other obligations. Only you have and shall exercise day-to-day control over all operations of the Restaurant. You acknowledge that we do not have day-to-day control over the operation of the Restaurant. We shall not exercise direct control over your Employment Practices. We shall not exercise indirect control over your Employment Practices except to the extent such indirect control is related to our legitimate interest in protecting the quality of the Products, service, the System or the Marks.

20.3 INDEPENDENT STATUS OF AGREEMENTS: You and we are entering into this Agreement independently and separately from any other Franchise Agreement or license that we may grant to any other person or entity. The terms of any franchise agreements or licenses with third parties, now and in the future, may be materially different with respect to any terms and conditions of this Agreement, including but not limited to Recurring Fees or Others Fees (such as royalty fees, advertising fees, technology fees or transfer fees), territorial exclusivity, renewals and training.

We may at our discretion enforce any covenant or provision of any other franchise agreement or license that we may grant to any other person or entity, and/or compromise, forgive or settle any amounts, claims or disputes with or against other franchisees or third persons. You cannot require us to disclose or grant to you a like or similar compromise, forgiveness or settlement any amounts, claims or disputes.

We may, in our sole discretion, vary the terms of, alter, amend or terminate any Franchise Agreement, license or other agreement with any third party. You are not entering into this Agreement in reliance on or because of any other agreement that we may have entered into with a third party.

21. NOTICES

21.1 DEFAULT NOTICES: Any Default Notice or Renewal Notice shall be in writing and delivered personally, Electronically, mailed via registered or certified mail return receipt

requested, or sent by another means that affords the sender written evidence of delivery or attempted delivery. Any Default Notice or Renewal Notice sent by a means that affords the sender evidence of delivery or attempted delivery will be deemed to have been given and received on the date and time of receipt or attempted delivery. Default Notices and Renewal Notices shall be delivered to the respective parties at the addresses set forth on **Attachment B**, unless and until a different address has been designated by written notice to the other party. The time to deliver such notice and the delivery method specified shall be considered a material provision of this Agreement.

21.2 OTHER NOTICES: Unless prohibited by law, all other notices and/or correspondence made in the ordinary course of business will be conducted by then-current Electronic means as stated in the Manual and which may be revised, from time to time, by us in our sole discretion. The current form of Electronic means will be via the email address as set forth on **Attachment B**, unless and until (i) a different email address is designated by written notice to the other party; or (ii) another Electronic means is designated in the Manual, in which case each party will provide written notice of its contact information to the other party. If so prohibited by law, other notices and/or correspondence made in the ordinary course of business will be by first class mail to the address set forth on **Attachment B** unless and until a different address has been designated by written notice to the other party or by other means designated in this Agreement.

21.3 GUARANTOR NOTICES: Default Notices and other notices and/or correspondence made in the ordinary course of business as provided in this Paragraph 21 shall be deemed to have been provided to all Guarantors and we shall have no obligation to send a Default Notice or other notices and/or correspondence made in the ordinary course of business to Guarantors or any other person or entity.

22. APPROVAL, WAIVER AND MODIFICATION

22.1 APPROVAL: Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us, unless otherwise provided in this Agreement.

Unless otherwise provided in this Agreement or the Manual, no fee is paid directly to us to secure any approval. Unless otherwise provided in this Agreement or the Manual, there is no procedure to revoke a previously provided approval.

22.2 WAIVER: If we fail to (i) take any action or enforce any rights we may have as the result of a Franchisee Default, or (ii) insist upon the full performance of any term, covenant, condition or obligation of this Agreement, the foregoing shall not be considered a waiver by us of any Franchisee Default or of any term, covenant, condition or obligation of this Agreement, or of our right to insist upon the full performance of any term, covenant, condition or obligation of this Agreement in the future. If we waive a Franchisee Default or any term, covenant, condition or obligation of this Agreement, such waiver must be in writing and signed by an officer of Hungry Howie's to be enforceable.

22.3 MODIFICATION OF THIS AGREEMENT: No amendment, modification, variance or change from or to this Agreement will be effective unless signed by us and you.

23. APPLICABLE LAW, REMEDIES AND ENFORCEMENT OF THIS AGREEMENT

23.1 HEADINGS AND CONSTRUCTION: Any reference in this Agreement to the neuter or masculine gender shall be construed to refer to any or all of the neuter, masculine and feminine genders, and, where appropriate under the context, any references to the singular shall be construed to refer to the plural and the plural to the singular. References to paragraphs, sections, sub-paragraphs and sub-sections shall be for convenience and ease of reference and shall have no legal effect with respect to the rights and obligations of any party or the construction of such paragraph, section, sub-paragraph or sub-section.

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

23.3 CHOICE OF LAW: This Agreement shall be interpreted and construed according to the laws of the State of Michigan, except for matters relating to arbitration, which shall be governed by the Federal Arbitration Act (9 USC Sec. 1 et. seq.) and matters concerning the Marks, which shall be governed by the United States Trademark Act of 1946 (Lanham Act, 15 USC Sections 1051 et. seq.). The State of Michigan currently has or may have in the future franchise or similar laws or regulations that govern franchise disclosure and relationships in the State of Michigan. Nothing in this Paragraph 23.3 is intended by the parties to subject this Agreement to any such franchise or similar law rule, or regulation of the State of Michigan to which it would not otherwise be subject. If, however, any provision of this Agreement would not be enforceable under the laws of Michigan, and if the Restaurant is located outside of Michigan and such provision would be enforceable under the laws of the state in which the Restaurant is located, then such provision shall be interpreted and construed under the laws of that state.

23.4 CHOICE OF VENUE: To the extent that it does not conflict with Paragraphs 23.3 and 23.5, the parties shall bring any action or proceeding against us, whether arising out of this Agreement or otherwise, in the state or federal judicial district in which the Restaurant is located and not in any other state or federal court in the United States of America or any court in any other country.

(a) You consent to the exclusive jurisdiction and venue of such courts for the purpose of any action or proceeding arising out of or relating in any way to this Agreement, including without limitation actions challenging the legal validity or enforceability thereof.

(b) You hereby waive all questions, pleadings and/or claims of personal jurisdiction or venue for the purpose of carrying out this Paragraph, and you shall not plead or make any claim that the state or federal judicial district in which we have our principal place of business is in an improper or otherwise inconvenient forum.

23.5 ARBITRATION: All disputes, claims or controversies arising out of or relating to this Agreement, the breach thereof, or the scope or validity of this Agreement shall be submitted and settled by final and binding arbitration. The validity and scope of the arbitration obligation under this Paragraph 23.5 shall also be determined by an arbitrator, not a court. This Paragraph 23.5 is separate from this Agreement and effective whether this Agreement is in force, expired, terminated, or rescinded. This Paragraph 23.5 is intended to benefit and bind certain third-party non-signatories and will continue in full force and effect after and notwithstanding expiration, termination, rescission, or Transfer of this Agreement. Arbitration shall be governed by the rules

of the American Arbitration Association pursuant to the Arbitration Guidelines governing arbitration and shall be conducted in the State of Michigan, Oakland County, Michigan, unless applicable law requires an alternate venue.

(a) We and you agree that arbitration will be conducted on an individual, not a class-wide, basis, that only we (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) may be the parties to any arbitration proceeding described in this Paragraph 23.5, and that no such arbitration proceeding may be consolidated or joined with another arbitration proceeding involving us and/or any other person. Despite the foregoing or anything to the contrary in this Paragraph 23.5, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Paragraph 23.5, then we and you agree that this arbitration clause will not apply to that dispute, and such dispute will be resolved in a judicial proceeding in accordance with this Paragraph 23 (excluding this Paragraph 23.5(a)).

(b) We and you shall be bound by the decision of the arbitrator and consent to the immediate entry of judgment upon such award in a court of competent jurisdiction.

23.6 INJUNCTIVE RELIEF: Nothing contained in Paragraph 23.5 shall limit or deprive either party of its right to apply for temporary injunctive relief from a court of competent jurisdiction against actual or threatened conduct which will cause irreparable injury, loss or damage or in matters concerning the health, safety or welfare of the general public.

23.7 WARRANTIES AND LIMITATION OF LIABILITIES: EXCEPT FOR THOSE EXPRESS WARRANTIES MADE IN THIS AGREEMENT, WE DISCLAIM ALL WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. YOU HEREBY ACKNOWLEDGE THAT THERE ARE RISKS ASSOCIATED WITH THIS FRANCHISE AND YOU HEREBY ASSUME ALL SUCH RISKS EXCEPT AS MAY BE EXPRESSLY SET FORTH HEREIN.

WITHOUT LIMITING THE FOREGOING, WE SHALL NOT BE LIABLE TO YOU FOR LOST PROFITS, LOST BUSINESS OR ANY INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (WHETHER OR NOT ARISING OUT OF CIRCUMSTANCES KNOWN OR FORESEEABLE BY US) SUFFERED BY YOU, YOUR CUSTOMERS OR ANY THIRD PARTY IN CONNECTION WITH THE OPERATION OF THE RESTAURANT OR THIS AGREEMENT. IN NO EVENT SHALL WE BE LIABLE FOR ANY DAMAGES OR LOSSES THAT ARE WHOLLY OR PARTIALLY CAUSED BY YOU, OR YOUR EMPLOYEES, AGENTS OR CONTRACTORS. OUR LIABILITY RELATED TO OR ARISING OUT OF THIS AGREEMENT SHALL IN NO EVENT EXCEED AN AMOUNT EQUAL TO THE LESSER OF (i) ACTUAL MONETARY DAMAGES INCURRED BY YOU OR (ii) RECURRING FEES PAID TO AND RETAINED BY US FOR THE 12 CALENDAR MONTHS IMMEDIATELY PRECEDING THE DATE ON WHICH WE RECEIVED A WRITTEN NOTICE FROM YOU DETAILING OUR MATERIAL BREACH OR DEFAULT UNDER THIS AGREEMENT.

23.8 CUMULATIVE REMEDIES: All of our rights and remedies hereunder shall be cumulative and none shall be exclusive of any other rights allowed by law.

23.9 STATUTE OF LIMITATIONS: Except for payments owed by you to us and unless prohibited by applicable law, any and all claims and actions arising out of or relating to this

Agreement shall be commenced within 1 year after the cause of action arose, or such claim or action shall be barred.

23.10 WAIVER OF JURY TRIAL: We and you acknowledge that the right to trial by jury is a constitutional one, but that it may be waived. Each party, after consulting (or having had the opportunity to consult) with counsel of its choice, knowingly and voluntarily, waives any right to trial by jury in the event of litigation regarding the performance or enforcement of, or in any way related to, this Agreement.

23.11 CLASS ACTION SUITS: You waive, to the fullest extent permitted by law, the right to bring, or be a class member in, any class action suit relating to any dispute, controversy or claim arising out of or related to this Agreement or arising out of any breach or alleged breach of this Agreement.

23.12 ATTORNEYS' FEES: Should we incur attorneys' fees, costs and expenses in order to enforce the terms and conditions of the Agreement, whether in a court or an arbitration proceeding, regardless of which party files first, or whether it is a claim, counterclaim or defense, if we prevail, you shall reimburse us for such reasonable attorneys' fees, costs and expenses.

24. GENERAL PROVISIONS

24.1 BENEFIT: This Agreement shall inure to the benefit of Hungry Howie's and its successors and assigns. All or parts of our rights under this Agreement are fully assignable. The Franchise or this Agreement may not be transferred or assigned by you in whole or in part, except as specifically permitted in this Agreement. Unless specifically provided for under this Agreement, this Agreement shall not confer any rights upon any party other than you and Hungry Howie's.

24.2 ENTIRE AGREEMENT: This Agreement and any attachments, addenda, exhibits, schedules or any other documents referred to this Agreement, including but not limited to the Manual, and any ancillary agreements signed at the same time as this Agreement will:

- (a) Constitute the entire agreement between you and us;
- (b) Contain all of the agreements, covenants, promises, representations, warranties or guaranties of the parties with respect to this subject matter;
- (c) Supersede any and all prior or contemporaneous agreements, covenants, promises, representations, warranties, or guaranties of the parties, whether oral, written, express or implied, between the parties with respect to this subject matter; and
- (d) Be binding on you and us.

In addition, as provided in Paragraph 15, the standards and policies periodically established or revised by us, as set forth in the Manual or otherwise, shall be binding upon you and shall be considered part of this Agreement.

Nothing in this or in any related agreement is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

24.3 SURVIVAL: The continuing obligations of you, the Owners and the Guarantors shall survive the termination of this Agreement.

25. SMALL BUSINESS ADMINISTRATION LOANS

THIS SECTION IS RESERVED.

26. YOUR REPRESENTATIONS TO US

In connection with the execution and evaluation of this Agreement, you acknowledge that we would not enter into this Agreement with you if you did not provide to us the representations and warranties in this Paragraph 26, and that the representations and warranties are true, correct and accurate in all respects at the time you sign this Agreement. The acknowledgments in clauses (c) through (g) below apply to all franchisees and franchises except not to any franchisees and franchise that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin. As such, you represent and warrant to us as follows:

(a) DELIVERY OF DISCLOSURE DOCUMENT: You received a copy of Hungry Howie's Franchise Disclosure Document at least 14 calendar days before signing this Agreement, or any related agreement.

(b) EXISTENCE OF OTHER FRANCHISE AGREEMENTS: You acknowledge that Hungry Howie's may have entered into franchise agreements with provisions different than those in this Agreement and may enter into franchise agreements in the future with provisions different than those in this Agreement.

(c) ACKNOWLEDGMENT OF RISK: You acknowledge that the business you will operate under this Agreement involves risk and that any success or failure will be substantially influenced by the ability and efforts of you, the Operator(s), the visibility of the Restaurant's location, and the number and strength of competitors.

(d) NO EARNINGS CLAIMS: Except as provided in the Franchise Disclosure Document provided to you, prior to execution of this Agreement, neither Hungry Howie's nor any of its representatives has either orally or in writing, represented, estimated or projected any specified level of sales, costs or profits for the Restaurant, nor represented the sales, costs or profit level of any other Hungry Howie's Unit.

(e) OPPORTUNITY TO CONSULT: You have consulted with or had ample opportunity to consult with independent professional advisors, including attorneys, accountants, and real estate and other advisors of your choosing, in connection with your decision to enter into this Agreement and, on the basis of such consultation, represent that you are financially and otherwise able to accept the risks associated with the Restaurant and this Agreement.

(f) ADEQUATE FUNDING: You have, or have secured access to, adequate funds, and have otherwise made complete and adequate preparations to open and operate the Restaurant for business.

(g) **INDEPENDENT INVESTIGATION:** You have conducted your own independent investigation of Hungry Howie's, the System, and the risks, burdens and nature of the business you will operate under this Agreement.

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

(i) **ANTI-TERRORISM LAWS:** You, the Owners and their respective officers, directors and agents, certify, represent and warrant to Hungry Howie's that neither they, nor any of their properties or interests are subject to being blocked under, have not violated any and shall not violate any Anti-Terrorism Laws.

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

[SIGNATURES ON THE FOLLOWING PAGE]

[SIGNATURE PAGE OF THE FRANCHISE AGREEMENT]

FRANCHISOR:

HUNGRY HOWIE'S PIZZA & SUBS, INC.

Dated: _____

By: _____

STEVEN E. JACKSON

Its: President

YOU:

Dated: _____

By: _____

[Name]

Its: _____

STATE SPECIFIC ADDENDUM TO FRANCHISE AGREEMENT

NO WAIVER OR DISCLAIMER OR RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

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

ATTACHMENT A

INITIAL FRANCHISE FEE,
GEOGRAPHIC AREA IN WHICH
RESTAURANT WILL BE LOCATED

1. FRANCHISE FEE

In accordance with Paragraph 5 the following represents the initial franchise fee which is to be paid to us upon execution of this Agreement by you: \$_____.

2. LOCATION OF RESTAURANT

In accordance with Paragraph 3.1 the location of the Restaurant shall be in the geographic area described as:

ATTACHMENT B

YOUR INFORMATION

1. Your Information:

(a) If you are individuals, the names and percentage of ownership of each individual is as follows:

Your Names	Percentage of Ownership Interest

(b) If you are a corporation, limited liability company, or partnership:
Your legal name is: _____.

You were incorporated, organized or formed on _____
under the laws of the State of _____.

A copy of your Articles of Incorporation/Articles of Organization/Certificate of Partnership is attached as **Attachment C**.

The names and percentage of ownership of each stockholder, member or partner of you is as follows:

Owner's Name	Percentage of Ownership Interest

The following is a list of your directors, if applicable:

Director Name

The following is a list of your officers, if applicable:

Officer Name	Officer Title

2. Notice Information. The name of the Designated Franchisee is: _____.

Notice to the Designated Franchisee, as provided in Paragraph 21 of the Franchise Agreement, at the following address:

Email: _____
Mobile/Text Message Number: _____
Address: _____

3. Identification of Operator. The Operator who will be involved in the conduct and operation of the Restaurant pursuant to Paragraph 10.3 of the Franchise Agreement and whose identity and/or information cannot be changed without our prior written approval is: _____.

Email: _____
Mobile/Text Message Number: _____
Address: _____

*May not be changed without prior written notice to Hungry Howie's.

You certify that the information contained in this **Attachment B** is true and correct.

Dated: _____

YOU:
(SOLE PROPRIETOR) or (CORPORATION,
LIMITED LIABILITY COMPANY OR
PARTNERSHIP):
By: _____
Title: _____

ATTACHMENT C

ARTICLES OF INCORPORATION/ORGANIZATION OR CERTIFICATE OF PARTNERSHIP

[TO BE ATTACHED BY YOU]

ATTACHMENT D

GUARANTY

RECITALS:

A. The undersigned individuals (the "Owners") are the [stockholders] [partners] [members] of _____, [a] [an] _____ [corporation] [partnership] [limited liability company] ("Franchisee").

B. Franchisee and HUNGRY HOWIE'S PIZZA & SUBS, INC., a Michigan corporation ("Hungry Howie's") are parties to a Franchise Agreement, dated _____ (the "Franchise Agreement").

C. To induce Hungry Howie's to [enter into the Franchise Agreement] [to consent to an assignment of the Franchise Agreement to you] [to consent to purchase of an ownership interest in Franchisee] and as security for Franchisee's performance of the Franchise Agreement, the Owners are executing this Guaranty.

NOW, THEREFORE, the Owners hereby agree as follows:

1. For value received, the Owners hereby jointly and severally guaranty the payment of any and all amounts, and the performance of any and all other actions, which Franchisee is or may become liable to pay or perform under the Franchise Agreement (the "Obligations"). If Franchisee fails to pay or perform any Obligation when due, the Owners, jointly and severally, shall pay or perform such Obligation immediately upon demand by Hungry Howie's. The liability of the Owners under this Guaranty shall be absolute, unconditional, irrevocable and continuing.

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

3. The Owners hereby consent to the following, which shall not affect or discharge any of their obligations under this Guaranty:

- (a) The extension of time for payment or performance of any Obligation;
- (b) The change in any term of the Franchise Agreement;
- (c) The acceptance by Hungry Howie's of any Promissory Note or security of any kind with respect to any Obligation;
- (d) The surrender, release, exchange or alteration of any collateral or other security held by Hungry Howie's with respect to any Obligation; and
- (e) Any requirement that Hungry Howie's protect, secure, perfect or insure any security interest or lien or any property subject thereto, or exhaust any right or take any action against the Debtor or any other person or entity or any collateral.

4. The Owners hereby waive notice of all the following:

- (a) Acceptance of this Guaranty by Hungry Howie's;
- (b) The sale and delivery of any portion of any collateral held by Hungry Howie's with respect to any Obligation, to the extent allowed by law;
- (c) The amount of the Obligations;
- (d) Any extension of time for the payment or performance of any Obligation;

and,

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

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

6. The Owners shall pay or reimburse Hungry Howie's for any and all expenses incurred by Hungry Howie's in enforcing this Guaranty, including reasonable attorney's fees.

7. The Owners shall be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Agreement including, but not limited to, the terms of the covenants not to compete contained Paragraph 16, Hungry Howie's right of first refusal and restrictions on Transfers contained in Paragraph 17, the post termination obligations contained in Paragraph 18 and the mandatory arbitration provisions in Paragraph 23.5.

8. The Owners acknowledge that notices will be sent only as set forth in Paragraph 21 of the Franchise Agreement.

9. This Guaranty shall be deemed to have been entered into in the State of Michigan and shall be construed according to the laws of the State of Michigan. Any reference in this Guaranty to the neuter or masculine gender shall be construed to refer to any or all of the neuter, masculine and feminine genders, and any references to the singular shall also be construed to refer to the plural, where appropriate under the context.

10. Any action involving this Guaranty or any of the terms or obligations hereof shall be commenced in the State of Michigan and subject to the arbitration provisions contained in Paragraph 23.5.

11. Hungry Howie's and the Owners waive, to the fullest extent permitted by law, the right to trial by jury.

12. Except for payments owed by the Owners to Hungry Howie's and unless prohibited by applicable law, any and all claims and actions arising out of or relating to this Guaranty shall be commenced within 1 year from the discovery of facts giving rise to any such claim or action, or such claim or action shall be barred.

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

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

[SIGNATURES ON THE FOLLOWING PAGE]

SIGNATURE PAGE FOR ATTACHMENT D: GUARANTY

Dated: _____

Dated: _____

Dated: _____

ATTACHMENT E

ASSIGNMENT OF TELEPHONE NUMBERS

The undersigned hereby assigns to Hungry Howie's Pizza & Subs, Inc. ("Hungry Howie's") the telephone number or numbers and fax numbers which shall be used in connection with the operation of Hungry Howie's No. _____ located at _____ (the "Numbers").

In addition, the undersigned hereby authorizes and directs the telephone company which issued and/or services the Numbers to transfer the Numbers to Hungry Howie's or as directed by Hungry Howie's.

The undersigned shall sign any further documentation requested by Hungry Howie's or the telephone company which issued and/or services the Numbers to implement the forgoing.

FRANCHISEE:

Dated: _____

By: _____
Name
Its: _____

ATTACHMENT F

(This Franchisee Disclosure Questionnaire will not be used 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)

DO NOT SIGN THIS FRANCHISEE DISCLOSURE QUESTIONNAIRE 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.

PRE-SIGNING QUESTIONNAIRE

You and Hungry Howie's are entering into this Agreement or Guaranty, and we require that you and all Owners signing the Guaranty complete and make the acknowledgements and representations contained in this questionnaire. In this Attachment F "you" or "your" shall mean either the Franchisee or the Guarantor. Capitalized terms are as defined in the Franchise Agreement.

Hungry Howie's takes its disclosure obligations to you seriously. It is important that your decision to establish, own and operate the Restaurant is based upon information disclosed to you in the Franchise Disclosure Document (the "FDD") and your own independent investigation of the Hungry Howie's System. If you have been provided any information in addition to or which contradicts the information disclosed in the FDD, please advise Hungry Howie's so that it may take appropriate action. Please review each of the following questions carefully and provide honest and complete responses to each question. If you need additional space to respond to any questions, please attach an additional sheet.

Acknowledgements and Representations

1. Did you receive the FDD (and all Exhibits and any attachments thereto) at least 14 calendar days prior to signing the Franchise Agreement and any related agreements and documents?
Check one: Yes No
If No, please explain: _____

2. Have you read and reviewed the FDD, the Franchise Agreement and all other related agreements and documents you will be signing?
Check one: Yes No
If No, please explain: _____

3. Do you understand the FDD, the Franchise Agreement and all other related agreements and documents you will be signing?
Check one: Yes No
If No, please explain: _____

4. Have you had the opportunity to consult with advisors of your choosing, including attorneys, accountants, real estate and other advisors?

Check one: Yes No

If No, please explain: _____

5. Were any claims, promises, agreements, understandings, or statements made to you which are inconsistent with the FDD, the Franchise Agreement and all other related agreements and documents you will be signing?

Check one: Yes No

If Yes, please explain and identify the person who made the statement: _____

6. Excluding any rights granted to you pursuant to an Area Developer Multiple Unit Agreement, did Hungry Howie's promise that you will have future Development Rights or a right of first refusal or option rights to any area or location other than the location of the Restaurant?

Check one: Yes No

If Yes, please explain and identify the person who made the statement: _____

7. Did Hungry Howie's make any promises or guarantees regarding the value, purchase, sale, repurchase or resale of the Restaurant or any other Hungry Howie's Unit?

Check one: Yes No

If Yes, please explain and identify the person who made the statement: _____

8. Except as stated in Item 19 of the FDD, did anyone associated with Hungry Howie's make statements inconsistent with Item 19 concerning the sales, earnings or expenses relating to a Hungry Howie's restaurant?

Check one: Yes No

If Yes, please explain and identify the person who made the statement: _____

9. Excluding any rights granted to you pursuant to an Area Developer Multiple Unit Agreement, do you understand that the franchise is granted to you for the right to establish a Restaurant in the geographic area set forth on Attachment A of the Franchise Agreement, and that your Territory will be a 1 mile radius around the Restaurant?

Check one: Yes No

If No, please explain: _____

10. Do you understand that Hungry Howie's may establish, operate or enfranchise a Non-Traditional Restaurant, described in Paragraph 3.14 of the Franchise Agreement within your Territory; that the Franchise Agreement does not prohibit any other franchisees from making deliveries into your Territory; that there are no restrictions on Hungry Howie's or other franchisees from soliciting or accepting orders from consumers in your Territory, including the use of channels of distribution, such as the Internet, telemarketing or other direct marketing, and to make sales to consumers, in your Territory?

Check one: Yes No

If No, please explain: _____

11. Do you understand that you are required to operate the Restaurant according to the Hungry Howie's System, including the Manual and all standards, policies and specifications which will be periodically established or revised by Hungry Howie's?

Check one: Yes No

If No, please explain: _____

12. Do you understand that during the first year of operation of the Restaurant, Hungry Howie's will designate an accountant for the preparation of the income statements and balance sheets required to be submitted to Hungry Howie's after each group of 4 weekly reporting periods?

Check one: Yes No

If No, please explain: _____

13. Do you understand that at any time during the Term of this Agreement, Hungry Howie's has the right to name one or more Designated Suppliers and you are required to utilize such Designated Suppliers for products and service used for the Restaurant including accounting services, architectural services, equipment and fixtures, ingredients and supplies, beverages, uniforms, insurance, and other products and services for the Restaurant?

Check one: Yes No

If No, please explain: _____

14. Do you understand that you (or in the event of a proposed Transfer, the Transferee) might be required to deposit money for grand opening marketing and initial marketing in escrow with Hungry Howie's, as follows: (i) \$15,000.00 due on the date the Restaurant location is submitted to Hungry Howie's for its consent, or (ii) \$15,000.00 as a condition to relocating or closing and re-opening the Restaurant, or (iii) \$15,000.00 as a condition to a Transfer?

Check one: Yes No

If No, please explain: _____

15. Have you conducted your own independent investigation of the Hungry Howie's System, the risks, burdens and nature of the business you will operate under the Franchise Agreement?

Check one: Yes No

If No, please explain: _____

16. Do you understand that the business you will operate under the Franchise Agreement involves risk and that any success or failure will be substantially influenced by, among other things, your ability and efforts, the Owner Operator(s), and the visibility of the Restaurant's location and the number and strength of competitors?

Check one: Yes No

If No, please explain: _____

17. Do you understand that Hungry Howie's may have entered into Franchise Agreements with provisions different than those in the Agreement and that Hungry Howie's may enter into Franchise Agreements in the future with provisions different than those in this Agreement?

Check one: Yes No

If No, please explain: _____

18. Do you understand that you and your Owners are bound by the in-Term and post-Term non-compete, non-solicitation and other covenants contained in Paragraph 16 of the Franchise Agreement and that any violation of the covenants is a default under the and may result in termination of the Agreement and/or injunction?

Check one: Yes No

If No, please explain: _____

19. Were the names of all franchise sellers involved in this franchise sales process identified on the FDD Receipt?

Check one: Yes No

If No, please identify any additional franchise sellers involved in this franchise sales process: _____

20. 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"). Hungry Howie's therefore requires certain certifications that the parties with whom it deals are not directly or indirectly 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:

- a. a person or entity listed in the Annex to the Executive Order;
- b. 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;
- c. a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or
- d. owned or controlled by terrorists or sponsors of terrorism.

Check one: Yes No

If No, please explain: _____

YOU ACKNOWLEDGE AND UNDERSTAND THAT HUNGRY HOWIE'S WILL RELY ON THE STATEMENTS, REPRESENTATIONS AND ANSWERS TO THIS QUESTIONNAIRE. BY SIGNING THIS QUESTIONNAIRE, YOU ARE CERTIFYING AND REPRESENTING THAT YOU HAVE REVIEWED EACH QUESTION AND RESPONDED TRUTHFULLY AND THOROUGHLY.

YOU:

Dated: _____

By: _____
 Name:

Its: _____

State of _____
 County of _____

On _____, before me, a Notary Public, in and for the said County and State, to me personally known, who, being by me sworn did say that _____ as an officer of _____ and individually, did execute the above said document of his/her own free act and deed.

Subscribed and sworn before me this ____ day of _____, 20____, in _____ County, Michigan.

 Notary Public of _____ County, _____
 acting in _____ County, _____
 My Commission Expires: _____
 SEAL

ATTACHMENT G

AREA DEVELOPER MULTIPLE UNIT ADDENDUM

[ADMUA IS TO BE ATTACHED HERE IF APPLICABLE; SEE EXHIBIT F TO FDD]

ATTACHMENT H

[STANDARD LEASE RIDER IS TO BE ATTACHED HERE; SEE EXHIBIT G TO FDD]

ATTACHMENT I

**[GENERAL RELEASE IS TO BE ATTACHED HERE, IF APPLICABLE;
SEE EXHIBIT H TO FDD]**

ATTACHMENT J

[CONFIDENTIALITY AGREEMENT IS TO BE ATTACHED HERE; SEE EXHIBIT I TO FDD]

Exhibit F:
Area Developer Multiple Unit Addendum

THIS AREA DEVELOPER MULTIPLE UNIT ADDENDUM (this “Addendum”) is made and entered into by and between the undersigned franchisee (“you” or “your”) and HUNGRY HOWIE’S PIZZA & SUBS, INC., a Michigan corporation (“Hungry Howie’s”, “our”, “us” or “we”), with offices located at 30300 Stephenson Highway, Suite 200, Madison Heights, Michigan 48071 as of the date it is signed by an authorized representative of Hungry Howie’s.

RECITALS

A. Hungry Howie’s and you entered into a Franchise Agreement dated the same date as this Addendum (the “Franchise Agreement”).

B. Hungry Howie’s and you desire to enter into this Addendum in order to provide you the right to establish other Hungry Howie’s Restaurants in a specified area in a limited period of time.

NOW, THEREFORE, the parties agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1 YOUR DEVELOPMENT RIGHTS: Subject to the terms of this Addendum, we grant you Development Rights. The specified additional number of Hungry Howie’s Units is described in **Exhibit A Part 1** and includes the Restaurant (the “Scheduled Units”). The geographic area(s) for such Development Rights are described in **Exhibit A Part 2** (the “Development Area”). The mandatory time schedule is described in **Exhibit A Part 3** (the “Development Schedule”).

1.2 OUR OBLIGATIONS TO YOU: Subject to any other rights we reserve under Paragraph 3.16 of the Franchise Agreement, and provided you are in strict compliance with this Addendum, the Franchise Agreement and all New Agreements, we will not establish or franchise any other Hungry Howie’s Units having their physical locations within the Development Area (as defined in Exhibit A Part 2). Hungry Howie’s reserves the right to establish or franchise other Hungry Howie’s Units having their physical locations outside of any Development Area.

1.3 NO RESTRICTIONS ON OTHER ACTIVITIES: Except for the restrictions in this Paragraph 1, this Addendum imposes no restrictions on our (and our affiliates’) activities within the Development Zone during this Addendum’s term. You acknowledge and agree that we and our affiliates have the right to engage, and grant to others the right to engage, in any other activities of any nature whatsoever within the Development Zone. After this Addendum expires or is terminated (regardless of the reason for termination), we and our affiliates have the right without any restrictions whatsoever to establish, and grant to others the right to establish, Hungry Howie’s Units that have their physical locations within the Development Zone and to continue to engage, and grant to others the right to engage, in any other activities we (and they) desire within the Development Zone.

YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS ADDENDUM AND YOUR RIGHTS UNDER THIS ADDENDUM ARE SUBJECT TO TERMINATION (WITHOUT ANY CURE OPPORTUNITY) IF YOU DO NOT COMPLY STRICTLY

WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE DEVELOPMENT SCHEDULE. WE MAY ENFORCE THIS ADDENDUM STRICTLY.

2. LOCATION SUBMISSIONS AND APPROVALS

2.1 LOCATION SELECTION: We may provide lesser degrees of advice, guidance and assistance to you, as may be described in Paragraph 3 or elsewhere in the New Agreement (or similar provision governing location selection and approval in a New Agreement), for the Scheduled Units, based on our determination of your need for our advice, guidance and assistance. In granting you the Development Rights, we are relying on your knowledge of the real estate market and your ability to locate and access locations within the Development Zone.

2.2 LOCATION APPROVAL OF SCHEDULED UNITS: You shall submit to us for our approval a proposed location for each Scheduled Unit you wish to develop under your Development Rights, in accordance with Paragraph 3 of the Franchise Agreement or a similar provision governing location approval in a New Agreement.

2.3 SEPARATE APPLICATION FOR EACH SCHEDULED UNIT: At the time you submit to us a proposed location, you must send us a separate application for each Scheduled Unit you wish to develop under your Development Rights, along with any other information or materials we reasonably request.

3. DEVELOPMENT OBLIGATIONS

3.1 SCHEDULED UNITS TO OPERATE UNDER SEPARATE NEW AGREEMENTS: You will operate each Scheduled Unit under a separate New Agreement with us. Once executed, the New Agreement and any other related documents shall be the effective documents governing such Scheduled Unit. Notwithstanding anything to the contrary contained in the Franchise Agreement or a New Agreement, the Scheduled Units must be open and operating no later than the dates specified in the Development Schedule.

3.2 TIMING OF NEW AGREEMENT EXECUTION: You must execute a New Agreement and any other related documents with us for each Scheduled Unit no later than whichever of the following events is first in time:

- (1) 30 days after a location for a Scheduled Unit is approved by us; or
- (2) The date specified in the Development Schedule.

3.3 CONTINUOUS OPERATION: Each of the Scheduled Units must operate continuously throughout the term of this Addendum.

3.4 COMPLIANCE WITH NEW AGREEMENTS: Each of the Scheduled Units must be in compliance with its respective New Agreement and related documents throughout the term of this Addendum.

4. NO GRANT OF SUB-FRANCHISING RIGHTS OR RIGHTS TO THE MARKS

This Addendum does not give you any right to franchise, license, sub-franchise, or sublicense others to develop and operate Hungry Howie's Units. This Addendum also does not give you any right to use the Marks. The right to use the Marks arises only under franchise

agreements signed directly with us. Only you (and/or approved Affiliated Entities) may develop, open, and operate Hungry Howie's Units pursuant to this Addendum. This Addendum only grants you potential Development Rights if you strictly comply with its terms.

5. DEVELOPMENT FEE

5.1 PAYMENT OF THE DEVELOPMENT FEE: Upon execution of this Addendum you shall pay to us in a lump sum the amount specified on **Exhibit A Part 4** (the "Development Fee"). The Development Fee equals the Franchise Fee due under the Franchise Agreement plus any deposit as may be specified on **Exhibit A Part 4** for each Scheduled Unit you agree to develop under the Development Schedule. The Development Fee is in consideration for the rights we grant you in this Addendum and for reserving the Development Zone for you to the exclusion of others and is fully earned by us when we and you sign this Addendum. The Development Fee is considered fully earned and no portion of the Development Fee is refundable under any circumstances, even if you do not comply or attempt to comply with the Development Schedule and we then terminate this Addendum for that reason. All fees are non-refundable. The balance of the initial Franchise Fee for each Scheduled Unit shall be paid at the time the New Agreement for the Scheduled Unit is signed.

5.2 INITIAL FRANCHISE FEES FOR SCHEDULED UNITS: While the Development Fee is not refundable under any circumstances, when you (or your Affiliated Entity) sign a New Agreement for each Scheduled Unit, we will apply a portion of the Development Fee toward the initial franchise fee due for that Scheduled Unit, in accordance with Exhibit A to this Addendum. Any balance of the initial Franchise Fee for each Scheduled Unit must be paid at the time the New Agreement is signed.

6. TERMINATION

6.1 TERMINABLE EVENTS: This Addendum, including all of your current or future Development Rights terminate, effective upon our written notice to you and without the need for further notice, upon the occurrence of any of the following events:

(a) Your failure to establish, open and operate any of the Scheduled Units in the Development Zone according to the Development Schedule, or your failure to otherwise satisfy any of your obligations under this Addendum; or

(b) The Franchise Agreement or a New Agreement for a Scheduled Unit is terminated (1) by us in compliance with such agreement's terms or (2) by you for any reason; or

(c) Your failure to cure any Franchisee Default, within any applicable cure period, under the Franchise Agreement or any New Agreement executed by you pursuant to your Development Rights, regardless of whether or not such agreement is terminated; or

(d) a Transfer of the Franchise Agreement or any or all New Agreements prior to the completion of the Development Schedule.

6.2 TERMINATION OF ADDENDUM DOES NOT AFFECT OTHER FRANCHISE AGREEMENTS: The expiration or termination of this Addendum shall not affect the obligations of the parties under the Franchise Agreement or any New Agreement that has been executed in connection with a Scheduled Unit.

6.3 **TERMINATION OF ADDENDUM IS NOT A TERMINATION OF FRANCHISE RIGHTS:** The expiration or termination of this Addendum shall not be deemed to terminate any franchise rights because no franchise rights are granted under this Addendum and franchise rights arise only under franchise agreements signed directly with us.

6.4 **RETENTION OF DEVELOPMENT FEE & DAMAGES:** If the Addendum terminates or expires pursuant to Paragraphs 6.1(a), (b), (c), or (d) of this Addendum, we will be entitled to keep the Development Fee (which are non-refundable). We may seek damages under the Franchise Agreement or any New Agreements that have been executed; however, we will not be entitled to recover any damages from you due solely to your failure to comply with the Development Schedule.

7. ASSIGNMENT

7.1 **DEVELOPMENT RIGHTS ARE NOT ASSIGNABLE:** Your Development Rights under this Addendum are not assignable at all. This means we will not under any circumstances allow the Development Rights to be transferred. A transfer of the Development Rights would be deemed to occur (and would be prohibited) if there is an assignment of the Franchise Agreement, a transfer of a controlling Ownership Interest, a transfer of this Addendum separate and apart from the Franchise Agreement, or any other event attempting to assign the Development Rights.

7.2 **TRANSFER OF A NON-CONTROLLING OWNERSHIP INTEREST:** Only a Transfer of a non-controlling Ownership Interest (49.9% or less) is permitted (and would not be deemed to be a transfer of your Development Rights), subject to the terms and conditions of Paragraph 17 of the Franchise Agreement or a similar provision in a New Agreement.

8. MISCELLANEOUS

8.1 **CAPITALIZED TERMS:** All capitalized terms shall be as defined in the Franchise Agreement unless otherwise defined in this Addendum.

8.2 **ADDENDUM CONTROLS:** To the extent that any provisions of this Addendum conflict with the Franchise Agreement or any New Agreement or any other related documents to be executed pursuant to a Scheduled Unit, the provisions of this Addendum shall control. Otherwise all terms and conditions of the Franchise Agreement and/or New Agreement shall still apply.

8.3 **COMPLIANCE WITH LAWS:** The parties shall comply with all federal, state, and local laws related to the sale of each New Agreement or any other related documents to be executed by the parties in accordance with this Addendum.

[SIGNATURES ON THE FOLLOWING PAGE]

[SIGNATURE PAGE TO THE AREA DEVELOPER MULTIPLE UNIT ADDENDUM]

IN WITNESS WHEREOF, the parties have signed this Addendum on the date set forth below.

FRANCHISOR:

HUNGRY HOWIE'S PIZZA & SUBS, INC.
a Michigan Corporation

Dated: _____

By: _____
STEVEN E. JACKSON
Its: President

YOU:

Dated: _____

By: _____
Name
Its: _____

EXHIBIT A
TO AREA DEVELOPER MULTIPLE UNIT ADDENDUM

1.1 YOUR DEVELOPMENT RIGHTS: Subject to the terms of this Addendum, we grant you Development Rights. The specified additional number of Hungry Howie's Units is described in **Exhibit A Part 1** and includes the Restaurant (the "Scheduled Units"). The geographic areas for such Development Rights are described in **Exhibit A Part 2** (referred to as the "Development Zone"). The mandatory time schedule is described in **Exhibit A Part 3** (the "Development Schedule").

Part 1: SCHEDULED UNITS

You will develop a total number of _____ Scheduled Units, which includes the Restaurant (No. _____).

Part 2: DEVELOPMENT ZONES

The table and maps below identify the Development Zone, which consists of [] individual development areas that are outlined within the black lines (including the black lines). Each shall be considered a "Development Area". Any area outside of a Development Area shall not be considered part of the Development Zone. The Development Zone is located in the [] DMA.

shall submit a proposed location within a Development Area in accordance with Paragraph 2.2 of the Addendum. Once a location is approved and a lease is fully executed for a Scheduled Unit in a Development Area, such Development Area is no longer part of the Development Zone and you are not permitted to put an additional Scheduled Unit in such Development Area.

Latitude, Longitude	City

Each pin point on the map below represents a latitudinal/longitudinal point in the table above with a two-mile radius around such point. In the event of a conflict between a table and the image, the table shall control.

[INSERT MAP HERE]

Part 3: DEVELOPMENT SCHEDULE

You will develop the __ Scheduled Units within the Development Zone according to the following Development Schedule:

Scheduled Unit Number	Date by which Franchise Agreement/ New Agreement Must be Signed	Date by which Scheduled Unit Must be Opened	Amount of Development Fee to be Paid when Franchise Agreement is Signed	Additional Amount to be Paid when New Agreement is Signed	Cumulative Number of Scheduled Units to Be Open and Operating in the Development Zone No Later than the Date by which Scheduled Unit Must be Opened
1	Concurrently with this Addendum		\$25,000.00	\$0.00	1
2					2
3					3
4					4
5					5

Part 4: DEVELOPMENT FEE

The Development Fee is a non-refundable lump sum amount of \$_____. If the Development Schedule is completed, the total due and payable under this Addendum is \$_____. As stated in Paragraph 5.1 of the Addendum, the Development Fee equals the Franchise Fee due under the Franchise Agreement plus \$_____ for each Scheduled Unit you agree to develop under the Development Schedule. At the time a New Agreement is signed for each Scheduled Unit, a remaining balance of \$_____ is due for such Scheduled Unit.

You must pay the Franchise Agreement Opening Fee for each Scheduled Unit on the due date stated in the Franchise Agreement or New Agreement. No amounts due under this Addendum include the Franchise Grand Opening Fee of \$15,000.00 (or the then-current amount as listed in the New Agreement).

ACKNOWLEDGED AND AGREED TO:

HUNGRY HOWIE'S

YOU:

By: _____
 [Name]
 Its: _____

By: _____
 [Name]
 Its: _____

EXHIBIT B
STATE SPECIFIC ADDENDUM TO THE
AREA DEVELOPER MULTIPLE UNIT ADDENDUM

1. With respect to franchises governed by Washington law:

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

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

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

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

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

The franchisor and the franchisee shall sign and date an addendum which incorporates the language in Paragraphs 2a through 2e at the time the Area Developer Multiple Unit Addendum is signed.

[SIGNATURES ON THE FOLLOWING PAGE]

[SIGNATURE PAGE TO EXHIBIT B STATE SPECIFIC ADDENDUM TO THE AREA DEVELOPER MULTIPLE UNIT ADDENDUM]

FRANCHISOR:

HUNGRY HOWIE'S PIZZA & SUBS, INC.

Dated: _____

By: _____
STEVEN E. JACKSON

Its: President

FRANCHISEE:

Dated: _____

By: _____
Name

Its: _____

Exhibit G:
Standard Lease Rider

THIS STANDARD LEASE RIDER (this "Rider") is attached to and part of a Lease dated _____, between _____ (the "Landlord") and _____ (the "Tenant") concerning the restaurant located at _____ (the "Restaurant").

1. The Tenant shall have the right to use the Premises for the purposes of an eat-in, carry-out and delivery restaurant selling pizza, salads, calzones, and other approved products permitted to be sold in accordance with the Tenant's Hungry Howie's franchise agreement along and other ancillary purposes associated therewith. The Tenant may use any outdoor eating area adjacent to the Premises, if available, and as long as such use complies with local zoning codes and ordinances. The Tenant may serve samples in the common areas adjacent to the Premises. In conjunction with the operation of the Tenant's business, the Tenant may co-brand its business or operate with another business, concessionaire, or licensee in or from the Premises provided it is in conjunction with the Tenant's operation of the Restaurant and so long as the Tenant remains liable to the Landlord for all rent and additional rent under the Lease.

2. Throughout the term of the Lease, and as it may be extended, the Tenant shall have the exclusive right in the shopping center in which the Premises are located to engage in the sale of pizza (excluding the sale of pizza in grocery stores). The Landlord shall not allow any other tenant in the shopping center to violate the terms or spirit of this exclusivity agreement. If a violation occurs, in addition to any other remedies the Tenant may have at law or in equity, the Tenant may demand and receive an abatement of rent equal to 50% of the base rent. If the Landlord is unwilling or unable to cure such violation within 6 months, the Tenant shall have the right to terminate this Lease after providing the Landlord 30 days written notice and an opportunity to cure. If the Restaurant is located in a shopping center, the Landlord shall not lease any space in the shopping center, or any adjacent or neighboring property that may appear to the general public on account of proximity, architecture, shared parking or other amenities, or otherwise, to constitute a part of the shopping center, to any other person or entity engaged in the sale of pizza and similar items for either on or off premises consumption.

3. The Tenant may assign or sublease the Restaurant upon the Landlord's prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, the Tenant may assign the Lease or sublease the Restaurant, without the Landlord's consent, to Hungry Howie's or to a Hungry Howie's franchisee with the approval of Hungry Howie's and the Franchisee shall be released from any further Lease obligations.

4. The Landlord shall furnish Hungry Howie's with 30 days prior written notice of (i) the cancellation or termination of the Lease; (ii) an assignment/sublease or an attempted assignment/sublease; (iii) any modification, renewal or new lease; or (iv) any legal action instituted by the Landlord or the Tenant.

5. Hungry Howie's, or its designated agent, shall have the right to enter the Restaurant upon expiration or termination of its Franchise Agreement with the Tenant to remove signage and other items bearing the Hungry Howie's trademarks, service marks and other commercial symbols, provided Hungry Howie's repairs any damages to the premises caused by the removal of such signage and other items.

6. The Landlord represents, covenants and warrants: (i) that it has lawful title to the shopping center and has full right, power and authority to enter into this Lease; (ii) that the shopping center is in compliance with the ADA; (iii) that it has a sufficient number of parking spaces for the Tenant's permitted use; and (iv) that it currently maintains all risk of physical loss coverage for the full replacement cost of the shopping center and general liability insurance maintain consistent with that being maintained from time to time by reasonably prudent owners of properties similar to the shopping center in the same area throughout the term of this Lease.

7. The Landlord represents and warrants that the Premises are free of all asbestos, asbestos containing materials and other hazardous or toxic materials (collectively, "Hazardous Materials"). The Tenant shall have no obligation to make any repairs, alterations or improvements to the Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in or about the shopping center, building or the Premises, other than those Hazardous Materials brought onto such areas by the Tenant. The Landlord shall be solely responsible for any changes to the Premises relating to Hazardous Materials (at the Landlord's expense and not as a charge to the Tenant's build out allowance), unless those Hazardous Materials were brought onto the Premises by the Tenant. The Landlord shall indemnify and hold the Tenant harmless from and against all liabilities, costs, damages and expenses which the Tenant may incur (including reasonable attorney's fees) as a result of a breach of the Landlord's representation and warranty set forth in this paragraph or the presence of Hazardous Materials in or about the shopping center, building or the Premises, unless those Hazardous Materials were brought onto such areas by the Tenant.

8. With respect to the above provisions in this Rider, Hungry Howie's shall be deemed a third party beneficiary of the Lease.

9. All notices sent to Hungry Howie's pursuant to this Rider shall be sent by certified or registered mail, return receipt requested, to the following address, or to such other address as to which Hungry Howie's has notified the Landlord and the Tenant:

Attn: Steven E. Jackson
Hungry Howie's Pizza & Subs, Inc.
30300 Stephenson Highway, Suite 200
Madison Heights, Michigan 48071

LANDLORD:

Dated: _____

TENANT:

Dated: _____

Exhibit H:
General Release

The undersigned, for and in consideration of Hungry Howie's Pizza & Subs, Inc. ("Hungry Howie's") consenting to the transfer by the undersigned of its Hungry Howie's franchise agreement to a third party does hereby release and forever discharge Hungry Howie's and its affiliates and their respective past and present shareholders, directors, officers, employees and agents (collectively, the "Releasees"), of and from any and all claims, liabilities, demands, rights and causes of action, suits, debts, contracts, controversies and damages of every nature and description whether in law or in equity (collectively "Claims"), the undersigned now has or may hereafter have against Releasees in respect of or arising out of transactions or events occurring on or before the date hereof.

The undersigned represents and warrants to the Releasees that it has full legal right to execute this General Release and has made no assignment or transfer of any Claims.

The undersigned shall indemnify, defend and hold Releasees harmless from any Claim made against or demand upon Releasees from anyone claiming to have any rights in the Claims.

Witnessed By:

FRANCHISEE OR INDIVIDUAL NAME

(Signature)

(Print Name and Title)

(Date)

Exhibit I:
Confidentiality Agreement

I understand that in the course of my association with Hungry Howie's Pizza & Subs, Inc. ("Hungry Howie's") as an owner, shareholder, director, member, partner, employee, contractor or agent of a current or potential Hungry Howie's franchisee, Hungry Howie's may entrust me with information consisting of knowledge or know-how concerning the Hungry Howie's System, including Hungry Howie's Manual, methods of operation, future marketing and advertising materials and strategies, development and growth strategies, trade secrets, sales figures, accounting materials, customers of Hungry Howie's, or its franchisees all of which Hungry Howie's has developed and assembled at great effort and expense, and which information is not public knowledge but which is confidential, proprietary business information of Hungry Howie's, that has been entrusted to me to keep as confidential ("Confidential Information").

I shall not at any time use, copy or disclose any Confidential Information, in whole or in part, except as authorized by Hungry Howie's in writing, nor otherwise make the same available to any unauthorized person. Upon the expiration or other termination, for any reason, of my association with Hungry Howie's or a Hungry Howie's franchisee either as an owner shareholder, director, member, partner, employee, contractor or agent, and upon the request of Hungry Howie's, I shall immediately return all copies of the Hungry Howie's Manual and all materials, books, records, and other Confidential Information in my possession.

If all or any portion of this Confidentiality Agreement is held unreasonable, void, vague or illegal by any court, arbitrator or agency having valid jurisdiction in any un-appealed final decision to which Hungry Howie's is a party, the court, arbitrator or agency shall be empowered to revise and/or construe this Confidentiality Agreement so as to fall within permissible legal limits and to the extent possible shall not invalidate the entire covenant. I expressly agree to be bound by any lesser covenant included within the terms of this Confidentiality Agreement as if the resulting promises were separately stated in and made a part of this.

Nothing in this Confidentiality Agreement shall be construed as transferring any title to the Confidential Information, as requiring Hungry Howie's to provide or disclose any Confidential Information or a warranty or guaranty of the Confidential Information.

Hungry Howie's, its subsidiaries, parents, affiliates, and their successors and assigns are expressly recognized to be a third-party beneficiary of this agreement.

[SEE NEXT PAGE FOR SIGNATURES]

[SIGNATURES PAGE – CONFIDENTIALITY AGREEMENT]

I ACKNOWLEDGE THAT I HAVE THOROUGHLY READ AND UNDERSTAND THIS CONFIDENTIALITY AGREEMENT AND THAT I HAVE RECEIVED A COPY OF THE SAME. I FURTHER ACKNOWLEDGE AND UNDERSTAND THAT ANY VIOLATION OR BREACH OF THIS CONFIDENTIALITY AGREEMENT BY ME SHALL ENTITLE HUNGRY HOWIE'S TO SEEK AND OBTAIN A COURT ORDER OR INJUNCTION PROHIBITING ANY SUCH VIOLATION OR BREACH, AS WELL AS ANY FUTURE VIOLATIONS OR BREACH, AND IN ADDITION TO SEEK AND OBTAIN MONEY DAMAGES, COURT COSTS AND REASONABLE ATTORNEY'S FEES INCURRED BY HUNGRY HOWIE'S IN THE ENFORCEMENT OF THIS CONFIDENTIALITY AGREEMENT.

Witnessed By:

(Signature)

(Print Name and Title)

Exhibit J: Operational Franchisees

ALABAMA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02318	GSA Foods LLC	2214 Kent Dairy Road	Alabaster	AL	35007	2056645900
02313	Mylez Foods, LLC	1409 S. College St., Unit 104	Auburn	AL	36832	3348265555
02329	D N T 1, Inc.	1676 Montclair Rd	Birmingham	AL	35210	2058291122
02307	DOTHAN PIZZA, INC.	1209 Ross Clark, Suite #1	Dothan	AL	36301	3346732300
02325	Dothan Pizza II, LLC	4650 W Main Street Suite 801	Dothan	AL	36305	3347927771
02310	Enterprise Pizza, LLC	910 Rucker Blvd	Enterprise	AL	36330	3343935888
02303	Yayo, LLC	2206 Airport Blvd., Suite F	Mobile	AL	36604	2514781616
02317	Chavitas OS LLC	5611 Old Shell Rd. Suite A	Mobile	AL	36608	2513453333
02311	La Flor CH LLC	6353-B Cottage Hill Rd	Mobile	AL	36609	2516650502
02327	BAMCO 2327 LLC	10676 Chantilly Pkwy	Montgomery	AL	36117	3346498711
02316	GSA Foods LLC	1844 McFarland Blvd.	Northport	AL	35476	2053332633
02322	GSA Foods LLC	4851 Rice Mine Rd. NE #520	Tuscaloosa	AL	35406	2053453737

ARKANSAS

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02903	Deem ARHH3, LLC	2235 Dave Ward Dr, Suite 308	Conway	AR	72034	5015884888
02902	Deem Investments LLC	10300 N Rodney Parham Rd	Little Rock	AR	72227	5015009595

ARIZONA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
01824	SimonXpress Pizza, LLC	12725 W. Indian School Rd. #B102	Avondale	AZ	85392	6235351827
01814	SimonXpress Pizza, LLC	1909 East Ray Road, Ste. #6	Chandler	AZ	85225	4808579377
01823	SimonXpress Pizza, LLC	3126 South Higley Road #108	Gilbert	AZ	85295	4808406000

Exhibit J: Operational Franchisees

01808	SimonXpress Pizza, LLC	17035 N 67th Ave., Suite 3	Glendale	AZ	85308	6238784777
01838	SimonXpress Pizza, LLC	3515 W. Union Hills Dr. Ste. 115	Glendale	AZ	85308	6028432727
01807	SimonXpress Pizza, LLC	5026 Cactus Rd. #8	Glendale	AZ	85304	6025487770
01830	SimonXpress Pizza, LLC	7448 W. Glendale Ave. Suite 106	Glendale	AZ	85303	6234660383
01826	SimonXpress Pizza, LLC	1116 S. Crismon Rd. #101	Mesa	AZ	85208	4803800500
01809	SimonXpress Pizza, LLC	2050 W. Guadalupe #6	Mesa	AZ	85202	4808319111
01850	SimonXpress Pizza, LLC	323 E Brown Rd, Suite 207	Mesa	AZ	85201	4806497999
01813	SimonXpress Pizza, LLC	3614 East Southern Ave. 104	Mesa	AZ	85206	4806411525
01849	SimonXpress Pizza, LLC	6736 E Baseline Rd, Suite 105	Mesa	AZ	85206	4803786999
01818	SimonXpress Pizza, LLC	8345 W. Thunderbird #110	Peoria	AZ	85381	6237732777
01851	SimonXpress Pizza, LLC	2535 N Central Ave #102	Phoenix	AZ	85004	6023620505
01845	SimonXpress Pizza, LLC	3320 W Bethany Home Rd	Phoenix	AZ	85017	4806495999
01804	SimonXpress Pizza, LLC	4625 E. Thomas Rd.	Phoenix	AZ	85018	6028406100
01852	SimonXpress Pizza, LLC	7227 S Central, Suite 1025	Phoenix	AZ	85042	6023622323
01840	SimonXpress Pizza, LLC	1745 W. Hunt Hwy. #104	Queen Creek	AZ	85143	4804746000
01806	SimonXpress Pizza, LLC	2934 N. Hayden Rd.	Scottsdale	AZ	85251	4806631300
01811	SimonXpress Pizza, LLC	14291 West Grand Ave., Suite 115	Surprise	AZ	85374	6235443977
01805	Sauce and Dough, LLC	1045 E Lemon St	Tempe	AZ	85281	4808047500
01820	SimonXpress Pizza, LLC	150 N. Pantano Road, Ste. 104	Tucson	AZ	85710	5208850707
01848	SimonXpress Pizza, LLC	2485 N Swan Rd #121	Tucson	AZ	85712	5208953600
01828	SimonXpress Pizza, LLC	3122 N. Campbell Ave. #140	Tucson	AZ	85719	5203279200

CALIFORNIA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
00371	N & D Inc.	10530 Rosedale Hwy, Suite 1	Bakersfield	CA	93312	6614270777
00363	MA + BA, LLC	1475 White Ln.	Bakersfield	CA	93307	6613973777
00313	M & B, Inc.	2209 Niles Street	Bakersfield	CA	93306	6613223999
00372	Individual - Nassib Chaar & Essam Bahaaldin	4500 Gosford Rd	Bakersfield	CA	93313	6614272888

Exhibit J: Operational Franchisees

00328	n/a Individual (Aida Annan & Fadi Aoun)	1100 Meadows Rd.	Calexico	CA	92231	7603574700
00311	Pizza Restaurant 1 VMAK Enterprises	111 W. Bullard Ave., #101	Clovis	CA	93612	5592974444
00317		4209 East Shields	Fresno	CA	93726	5592275555
00331	iByte VMAK Enterprises	600 W. Glenoaks Blvd.	Glendale	CA	91202	8185022646
00369	Incorporated	675 Tucker Rd. Suite F	Tehachapi	CA	93561	6618221000

COLORADO

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
04004	HouseofM Ventures LLC	15084 E Mississippi Ave	Aurora	CO	80012	7208050303
04001	Alford Holdings, Inc.	6040 S. Gun Club Rd. Unit F-4	Aurora	CO	80016	3036274694
04002	Pikes Peak Pizza Pie LLC	4272 North Academy Blvd	Colorado Springs	CO	80918	7192662663
04003	10382 Washington, LLC	10382 Washington St, Unit 3	Thornton	CO	80229	3032801539

DELAWARE

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
01301	HH Pizza of Delmarva, Inc.	1252 Norman Eskridge Hwy.	Seaford	DE	19973	3026299050

FLORIDA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
03055	Destin Pizza of Florida,LLC	16135 NW Hwy 441 Suite 20	Alachua	FL	32615	3865185255
00138	Altamonte Pizza Joint, Inc.	491 N. State Rd. 434	Altamonte Springs	FL	32714	4076825858
00197	Apollo Beach Foods, Inc.	6104 N. US Hwy 41	Apollo Beach	FL	33572	8136450464
00154	Orlando Food Management LLC	205 W. Main St.	Apopka	FL	32703	4078866688

Exhibit J: Operational Franchisees

00122	Coms Enterprises, Inc.	387 Havendale Rd.	Auburndale	FL	33823	8639671118
03010	J.T. Pizza, Inc.	1052 US Hwy 27 South	Avon Park	FL	33825	8634520222
00116	J.T. Pizza, Inc.	1405 N. Broadway	Bartow	FL	33830	8635330501
00263	Nakez Foods, Inc	10251 SE Hwy 441	Belleview	FL	34420	3523074694
00112	Z Pizza, LLC	3601 N. Lecanto Hwy	Beverly Hills	FL	34465	3525273311
00256	C&T Enterprises of Blountstown Inc.	19838 St. Rd. 20 West	Blountstown	FL	32424	8506743838
00274	JEA Foods, Inc.	1816 Waukesha St.	Bonifay	FL	32425	8505472300
00171	MC & PD Enterprises, Inc.	103 US Hwy. 301 Blvd. W	Bradenton	FL	34205	9417554599
00191	Knights Foods, Inc.	1511 West Brandon Blvd.	Brandon	FL	33511	8136844477
00168	Tak Food	819 W. Bloomingdale Blvd.	Brandon	FL	33511	8136840988
03016	CR 55 Pizza, LLC	830 E. Hathaway Ave.	Bronson	FL	32621	3524865848
00180	D&M Pizza, Inc.	1212 S. Broad St.	Brooksville	FL	34601	3527998535
03070	Barquet Enterprises, LLC	4601 E. Moody Blvd.	Bunnell	FL	32110	3865863977
00128	Trapat Inc.	1124 N. Main St. Suite 202	Bushnell	FL	33513	3525699299
00287	Springfield Pizza LLC	5805 N. Hwy 231	Cedar Grove	FL	32404	8507858400
03072	Destin Pizza of Florida, LLC	1708 N. Young Blvd.	Chiefland	FL	32626	3524907777
00209	Chipley Food Inc.	1240 Main Street	Chipley	FL	32428	8506388382
00144	M K D D, Inc.	14100 US 19 N	Clearwater	FL	33764	7275365108
00101	Jen-R-J, Corp.	1884 Drew Street	Clearwater	FL	33765	7274490400
03023	T3 Pizza, LLC	1215 Sunrise Plaza Drive	Clermont	FL	34714	3522418448
00234	Orlando Food Management LLC	1640 E. Hwy 50	Clermont	FL	34711	3523942828
03046	Orlando Food Management LLC	2097 Crawfordville Hwy	Crawfordville	FL	32327	8509266400
03059	Crawley Andalusia Foods, Inc.	1238 C. North Ferdan Blvd.	Crestview	FL	32536	8503985001
00285	Crawley Crestview Foods, Inc.	2222 S Ferdon Blvd.	Crestview	FL	32536	8506890990
00159	Fair Pizza, Inc.	1677 SE Hwy 19	Crystal River	FL	34429	3525631151
00164	NJW Foods, Inc.	12710 US-301	Dade City	FL	33525	3525210054
00273	J. Dial III Inc.	6103 US HWY 17-92	Davenport	FL	33896	8634245000
00280	Roman Village Pizza, Inc.	6555 Nova Dr. #312	Davie	FL	33317	9544246280

Exhibit J: Operational Franchisees

00226	Joyful Joe, Corp.	3272 W. Hillsboro Blvd.	Deerfield Beach	FL	33442	9545707374
00284	Defuniak Springs Foods, Inc.	1030 US Hwy 331 South	Defuniak Springs	FL	32435	8509510484
00130	Deland Pizza, LLC	1101 N. Woodland Blvd.	Deland	FL	32720	3867381880
00247	Orlando Food Management LLC	121 Howland Blvd. Suite B	Deltona	FL	32738	4076884757
00136	Orlando Food Management LLC	1642 Providence Blvd	Deltona	FL	32725	3865749299
03038	Destin Pizza of Florida, LLC	34904 Emerald Coast Pkwy. #138	Destin	FL	32541	8504602422
03079	MACPIZZA, LLC	4506 McIntosh Rd	Dover	FL	33527	8135784500
00105	JRH Enterprises Inc	2109-D Main Street	Dunedin	FL	34698	7277348800
00260	Order Up Inc II.	201 S. Ridgewood #112	Edgewater	FL	32132	3864278699
00257	East Ellenton Enterprises	5912 18th Street East	Ellenton	FL	34222	9419813814
00238	Englewood Pizza, Inc.	1720 S. McCall Road Unit #1	Englewood	FL	34223	9414758384
00277	Eustis Foods, Inc.	457 Plaza Drive	Eustis	FL	32726	3523578999
00233	Orlando Food Management LLC	400 N. Charleston Ave.	Fort Meade	FL	33841	8632856200
03034	Pain Rite Ent., Inc.	2455 W Midway Rd	Fort Pierce	FL	34981	7724610090
00269	Fort Walton Foods, Inc.	278 N. Eglin Pkwy	Fort Walton Beach	FL	32547	8508628867
00211	Fort White Pizza, LLC	7788 US Hwy 27	Fort White	FL	32038	3864971484
00123	Freeport Pizza, LLC	16400 US Hwy 331 South Unit B1	Freeport	FL	32439	8508351355
00298	T.J. Pizza LLC	404 South Scenic Hwy	Frostproof	FL	33843	8636356565
03071	East University Foods, LLC	1040 East University Ave.	Gainesville	FL	33511	3527274757
00237	Kazbour Food Service, Inc.	1310 NW 23rd Ave. Suite B	Gainesville	FL	32605	3523746600
00232	Kazbour Food Service, Inc.	3600 SW Archer Rd, Unit #B	Gainesville	FL	32608	3523358444
03069	Graceville Pizza, LLC	5476 Brown Street	Graceville	FL	32440	8503605009
03062	Husain HH Inc.	810 N. Orange Ave.	Green Cove Springs	FL	32043	9048633084
00236	Tars Investment Group, Inc.	6338 Forest Hill Blvd.	Greenacres	FL	33415	5619669733
00262	Gulf Breeze Pizza, LLC	3096 Gulf Breeze Prkw	Gulf Breeze	FL	32563	8509346787
03042	J. Dial III Inc.	35890 Hwy 27	Haines City	FL	33844	8638046060
03007	MGRJ of Palm Bay Enterprises Inc.	1674 Ridgewood Ave.	Holly Hill	FL	32117	3866777339
03028	PS Pizza, Inc.	6649 Taft Street	Hollywood	FL	33024	9549672777

Exhibit J: Operational Franchisees

00114	Bosley Enterprises, Inc	7223 State Rd. 52	Hudson	FL	34667	7278628888
00275	Z Pizza, LLC	1320 US 41	Inverness	FL	34450	3523443435
00264	River City Pizza, Inc	376-7 New Berlin Rd.	Jacksonville	FL	32218	9046960001
00252	Husain HH Inc.	5613 University Blvd. West	Jacksonville	FL	32216	9047338566
00244	Dames Point Pizza, Inc.	8011 Merrill Rd Suite #20	Jacksonville	FL	32277	9047439100
00213	Westside Pizza Company, Inc.	8257 Normandy Blvd. - #8	Jacksonville	FL	32221	9047815656
00186	J.T. Pizza, Inc.	1990 N. John Young Parkway	Kissimmee	FL	34741	4079311040
00290	Southwest FL Pizza, Inc.	180 South Main Street	LaBelle	FL	33935	8636756363
00172	C Stores Pizza, LLC	720 E. Main St.	Lake Butler	FL	32054	3864962878
00166	Lake Foods	857 SW Main Blvd. #110	Lake City	FL	32025	3867557050
00102	J.C. Pizza LLC	2014 Sam Walton Way	Lake Wales	FL	33853	8636762222
00199	JC Pizza LLC	4290 N Scenic Hwy	Lake Wales	FL	33898	8636762626
00143	Five Guys Pizza, Inc.	1101 S. Florida Ave.	Lakeland	FL	33803	8636822124
00135	92 Foods, Inc.	2740 U.S. 92	Lakeland	FL	33801	8636658070
03000	M.C. Pizza Inc.	2805 Shepherd Rd	Lakeland	FL	33811	8637012345
00118	Lott-Morr Pizza, Inc.	4744 US Hwy 98	Lakeland	FL	33809	8638591436
00231	Tomorrow Division	5357 N. Socrum Loop Rd.	Lakeland	FL	33809	8638533222
00288	Midway Holdings	5726 Ranch Lake Blvd	Lakewood Ranch	FL	34202	9417582600
00156	K.R.D.K. Enterprises, Inc.	14219 W. Walsingham	Largo	FL	33774	7275961400
00117	DJR Pizza, Inc.	1555 East Bay	Largo	FL	33771	7275845390
00151	Dizo, Inc.	2209 Citrus Blvd	Leesburg	FL	34748	3527873999
03083	Summerfield Pizza, Inc.	27615 US 27	Leesburg	FL	34748	3524601999
03068	Lehigh HH Pizza Inc.	522-B Joel Blvd	Lehigh Acres	FL	33936	2393685225
00165	Lithia pizza LLC	16517 Fish Hawk Blvd.	Lithia	FL	33547	8136899200
00161	AGJ Enterprises, Inc.	21222 Mariner	Lutz	FL	33549	8139499393
00137	Madison Foods, LLC	378 E. Base St.	Madison	FL	32340	8509732300
00173	Joyful Joe 2, Corp.	7304 Royal Palm Blvd.	Margate	FL	33063	9549774444
00295	Marianna Foods, Inc.	4470 LaFayette	Marianna	FL	32446	8505267878
00134	Babylon Pizza, LLC	233 Crockett Rd.	Merritt Island	FL	32953	3214599771
03078	Miami Gardens Foods, Inc.	705 NW 183rd St	Miami Gardens	FL	33169	3059176333

Exhibit J: Operational Franchisees

00291	Milton Foods, Inc.	6534 Caroline Street	Milton	FL	32570	8506268600
03025	Sunway Enterprises	2262 US Hwy 1	Mims	FL	32754	3212642455
03056	PS Pizza, Inc.	2600 S. University Dr. #101	Miramar	FL	33025	9543676799
03013	Hungry Howie's Pizza Mgmt. of North Naples, Inc.	525 Pine Island Rd. Ste. #L 10265 N. Tamiami Trail Ste. #3	N. Fort Myers Naples	FL	33903 34108	2399959100 2395970007
03058	R&T Pizza Mgmt. #2 Inc.	80 Wilson Blvd. South #1	Naples	FL	34117	2394559995
00223	Navarre Pizza LLC	8230 Navarre Pkwy	Navarre	FL	32566	8509396400
00139	KLJ, Inc.	4511 Grand Blvd.	New Port Richey	FL	34652	7278424900
00188	Hungry Howie's #188	9109 Ridge Rd.	New Port Richey	FL	34654	7278467760
00241	Crawley Enterprise, Inc.	1144 John Simms Parkway	Niceville	FL	32578	8507292222
00207	S M & 4A, Inc.	1085 North Tamiami Trail	Nokomis	FL	34275	9414120099
00271	KAD Enterprises, Inc.	13201 B Tamiami Trail	North Port	FL	34287	9414260995
03001	Destin Pizza of Florida,LLC	11115 SW 93rd Ct. #400	Ocala	FL	34481	3528610555
03029	UM Bella LLC	2701 SW College Rd. #310	Ocala	FL	34474	3528611071
03014	Mar-Cor Investment	3435 N. Pine St. #203	Ocala	FL	34471	3526719979
00133	Kanik, LLC	3753 East Silver Springs Blvd.	Ocala	FL	34470	3526947171
00225	Henderson Pizza Inc.	6853 SE Maricamp	Ocala	FL	34472	3526874000
03050	J.T. Pizza, Inc.	207 N. Clarke Rd	Ocoee	FL	34761	4079300789
00220	CR 55 Pizza, LLC	25861 SE Hwy 19	Old Town	FL	32680	3525422212
00140	Jenn-R-J Corporation	3780 Tampa Rd.	Oldsmar	FL	34677	8138541595
00131	Khoury Pizza LLC	2439 Enterprise Dr.	Orange City	FL	32763	3867750550
00146	Alafaya Trail Pizza, Inc.	11774 E. Colonial Dr.	Orlando	FL	32817	4072739676
03045	Kirkman Pizza, LLC	2304 Kirkman Rd	Orlando	FL	34981	4072967070
00184	Goldenrod Pizza Inc.	7628 Sun Vista Way	Orlando	FL	32822	4072820555
00178	Agresta Enterprises, Inc.	971 N Goldenrod Rd, Suite 160	Orlando	FL	32807	4073801780
03080	Oviedo Foods, LLC	865 W. Mitchell Hammock Rd., Suite 1001	Oviedo	FL	32765	3214157711
00201	Pace Foods, Inc.	4475 Woodbine Rd. Ste 1	Pace	FL	32571	8509946880
03060	Palatka Pizza Inc.	314 Highway 19 South	Palatka	FL	32177	3865307101
03043	PSP Foods, LLC	3085 Jupiter Blvd. SE	Palm Bay	FL	32909	3214994599

Exhibit J: Operational Franchisees

00174	Von-Von, Inc.	620 Alt 19 North	Palm Harbor	FL	34683	7277893737
00183	Muff-D's Enterprises, Inc.	1705 8th Ave. West	Palmetto	FL	34221	9417220006
00246	Panama Foods, Inc.	607 East 23rd Street	Panama City	FL	32405	8507479464
00272	Panama Beach Foods, Inc.	10272 Front Beach Rd	Panama City Beach	FL	32407	8502303999
00249	Panama Beach Pizza, LLC	17180 Front Beach Road	Panama City Beach	FL	32413	8502364426
00261	Panama Foods, Inc.	306 S. Tyndall Parkway	Parker	FL	32404	8507470447
03073	PS Pizza, Inc.	4520 Hallandale Beach Blvd.	Pembroke Park	FL	33023	7547777047
00283	9th Foods, Inc.	2790 Creighton Rd.	Pensacola	FL	32504	8504942600
00229	Michigan Foods, Inc.	3230 W. Michigan Ave.	Pensacola	FL	32526	8509414000
00276	9 Mile Foods, Inc.	40 W. Nine Mile Road	Pensacola	FL	32534	8504940073
00267	Pensacola Foods, Inc.	610 N. Navy Road	Pensacola	FL	32507	8504576900
00113	Bud II Enterprises, Inc.	6328 Park Blvd.	Pinellas Park	FL	33781	7275416465
00106	Sobh Foods, Inc.	208 N. Alexander St.	Plant City	FL	33563	8137526113
00200	Charlie's Xpress Mart	2424 Hwy 92 East	Plant City	FL	33566	8137640363
03027	Crew Investments, LLC	1809 N Pine Island Rd	Plantation	FL	33322	9546361111
03057	Poinciana Pizza, Inc.	4693 Old Pleasant Hill Rd	Poinciana	FL	34759	4078474444
00296	Polk Pizza, LLC	108 Commonwealth Ave. N	Polk City	FL	33868	8639842440
00193	BKD Enterprises, Inc.	2395 Tamiami Trail #16	Port Charlotte	FL	33952	9416279200
00265	ST. Joe Foods	418 Monument Ave.	Port St Joe	FL	32456	8502299222
00222	Ope's Pizza	226 Tamiami Trail	Punta Gorda	FL	33950	9415058800
00286	Malak Pizza	1117 West Jefferson Street	Quincy	FL	32351	8506273000
00177	Two For You Foods, Inc.	10042 US Hwy. 301 S.	Riverview	FL	33578	8136777353
00195	Sun City Foods, Inc.	3856 Sun City Center Blvd	Ruskin	FL	33573	8136333433
03040	Syms Fast Food, LLC	6054 Sisson Rd	S. Titusville	FL	32780	3212688778
00107	Motor City Pizza, Inc.	2400 S. French Rd.	Sanford	FL	32771	4073214440
03048	Bonifay Foods, LLC	2078 Highway 98 West Unit #103	Santa Rosa Beach	FL	32459	8506223333
00169	17th Food, Inc.	3251 17th Street	Sarasota	FL	34235	9419512919
00160	Bee Ridge Pizza, Inc	4112 Bee Ridge Rd.	Sarasota	FL	34233	9413771984
03037	Southgate Pizza, Inc.	3012 US Hwy 27 S.	Sebring	FL	33870	8633854777
00132	North Parsons Foods, Inc.	2004 S. Parsons Ave.	Seffner	FL	33584	8136840807

Exhibit J: Operational Franchisees

00119	KJR Pizza, Inc.	6989 Seminole Blvd.	Seminole	FL	33772	7273922288
00185	AAK Pizza	1965 Tamiami Trail	South Venice	FL	34293	9414934200
00152	QSR Management LLC	5166 Mariner Blvd.	Spring Hill	FL	34609	3526844424
03076	Spring Hill Pizza, Inc.	7325 Springhill Dr	Springhill	FL	34606	3526165100
00293	Florida Pizza Mgmt. Crop.	1900 13th Street	St. Cloud	FL	34769	4079573131
03082	Salt Heals, LLC	4667 Gulf Blvd.	St. Pete Beach	FL	33706	7273908777
00141	BUD Enterprises, Inc.	1500 34th St. North	St. Petersburg	FL	33713	7273276010
00239	AL & FT Investments LLC	3073 18th Ave. S.	St. Petersburg	FL	33712	7273275555
00110	EMJ Pizza, Inc.	4690 49th Street North	St. Petersburg	FL	33709	7275255444
00121	KMJR Pizza Inc.	5570 4th Street North	St. Petersburg	FL	33703	7275278811
03012	KJR Pizza, Inc.	6570 Central Ave.	St. Petersburg	FL	33707	7273452020
03009	Steinhatchee Pizza LLC	806 S. Riverside Dr.	Steinhatchee	FL	32359	3524987100
00217	Summerfield Food Southside Pizza of Florida, LLC	9945 SE Hwy 42	Summerfield	FL	34491	3522458252
00145	Orlando Food Management LLC	131-1 East Orange Ave.	Tallahassee	FL	32301	8504213333
00245	Orlando Food Management LLC	1496 Apalachee Parkway	Tallahassee	FL	32301	8509426800
00248	Orlando Food Management LLC	1944 W. Pensacola Street	Tallahassee	FL	32304	8505742200
00206	Mahan Foods, Inc. Orlando Food Management LLC	3111 Mahan Drive	Tallahassee	FL	32308	8508778999
00259	Orlando Food Management LLC	3491 Thomasville Road Unit #1	Tallahassee	FL	32309	8508943100
03044	Orlando Food Management LLC	3551 Blairstone Rd. Unit 7	Tallahassee	FL	32301	8506713400
00292	Orlando Food Management LLC	3839 N. Monroe Street Unit #1	Tallahassee	FL	32303	8505625656
00126	78th Foods, Inc.	1302 B So. 78th Street	Tampa	FL	33619	8136640717
00125	G-Man, Inc.	14916 North Florida Ave.	Tampa	FL	33613	8139683272
00219	Krushimi Two LLC	15359 Amberly Drive	Tampa	FL	33647	8139718818
03019	JGAC PIZZA, INC.	15441 N. Dale Mabry	Tampa	FL	33618	8132652111
00198	Hillsborough Pizza, LLC	2001 E. Hillsborough Ave.	Tampa	FL	33610	8132393233
00127	South DM LLC	3216 S. Dale Mabry	Tampa	FL	33629	8138376577
00129	Hun-Ho 129 Inc.	4541 Gunn Hwy	Tampa	FL	33624	8139683660

Exhibit J: Operational Franchisees

00104	Hun-Ho 104, Inc.	5802 N. Armenia	Tampa	FL	33603	8138706111
00167	Hungry Howie's 167	6207 E. Hillsborough	Tampa	FL	33610	8136280037
00120	Y.K.F Foods, Inc.	6431 County Line Rd.	Tampa	FL	33647	8139076999
00189	AJZreik LLC	7620 Gunn Hwy #130	Tampa	FL	33625	8139206311
00108	Hun-Ho 108, Inc.	8414 N. Armenia	Tampa	FL	33612	8139324330
00148	V L H Enterprises, Inc.	8802 Rocky Creek Rd.	Tampa	FL	33615	8138859992
03074	HH Pizza Tavares	1998 SR 19	Tavares	FL	32778	3523439999
03064	Destin Pizza of Florida,LLC	5317 E. Fletcher Ave.	Temple Terrace	FL	33617	8135154444
03077	Trapat Inc.	980 Bichara Blvd.	The Villages	FL	32159	3522599990
00182	University East Food, Inc.	9517 East Fowler Avenue	Thonotosassa	FL	33592	8139867822
03005	CR 55 Pizza, LLC	414 W. Wade St.	Trenton	FL	32693	3524639499
00153	Brandon Foods, Inc.	2501 Hwy 60 East	Valrico	FL	33594	8136540650
03032	Potterlink INC.	2150 58th Avenue	Vero Beach	FL	32966	7722577300
00224	Jz Pizza, Inc.	1038 S 6th Avenue	Wauchula	FL	33873	8637732100
00142	KC & FS Inc.	27307 State Rd. 54 W	Wesley Chapel	FL	33544	8139737555
00282	WPB Gas, Inc.	16640 Saddle Club Rd.	Weston	FL	33326	9543858200
03022	Wewa Foods, Inc.	3050 Hwy 71	Wewahitchka	FL	32424	8506394300
00297	Hicks Pizza	701 South Main Street	Wildwood	FL	34785	3527485525
03084	Three For You Foods, LLC	14381 S US HWY 301	Wimauma	FL	33573	8135357500
00149	GBP Pizza, Inc.	1144 6th St. NW	Winter Haven	FL	33881	8632934633
00190	Oakland Pizza Group, Inc. Orlando Food Management LLC	3007 Cypress Gardens Rd. 3047 Winter Lake Road	Winter Haven	FL	33884 33880	8633242055 8632949334
00228	Wahneta Pizza, LLC	3071 Rifle Range Rd S	Winter Haven	FL	33880	8633181122
03081	Husain HH Inc.	463725 SR 200 W	Yulee	FL	32097	9048758111
00175	Five Two Seven Foods	5440 Gall Blvd.	Zephyrhills	FL	33542	8137885515

GEORGIA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
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Exhibit J: Operational Franchisees

02407	HHP Enterprises, Inc.	618 N. Peterson Ave.	Douglas	GA	31533	9123845500
02417	AELREN, LLC	4000 Frey Rd NW	Kennesaw	GA	30144	4704120101
02415	Anderson-Faison I, LLC	390 Bullsboro Drive	Newnan	GA	30263	4703471122

INDIANA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02004	Flynnster, Inc.	1400 N. Wayne St., Suite B	Angola	IN	46703	2606657766
02023	752 Pizza Co.	4214 Crescent Ave	Fort Wayne	IN	46815	2602477555
02008	Fort Wayne Pizza Co.	6380 W. Jefferson Blvd.	Fort Wayne	IN	46804	2604360110
02006	Wapacoo Pizza Company, Inc.	871 East North Street	Kendallville	IN	46755	2603478000
02022	Flynnster of South Bend, Inc.	2035 E. Ireland Rd.	South Bend	IN	46614	5742311100
02014	TG3, LLC	15 Roosevelt Rd.	Valparaiso	IN	46383	2194760800

LOUISIANA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
03802	TJS Pizza Co, LLC	5201 Nicholson Dr. Suite A	Baton Rouge	LA	70808	2257614694

MICHIGAN

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
03614	Ada Pizza Corp.	7277 Thornapple River Dr	Ada	MI	49301	6165759999
00044	RCJ Pizza Inc.	802 W Maumee St.	Adrian	MI	49221	5172638149
00536	Albion Pizza Company, Inc.	111 Cass Street	Albion	MI	49224	5176292924
00034	Hungry Howie's Properties, Inc.	650 Point Tremble Rd.	Algonac	MI	48001	8107943000
01058	J & J Food, Inc.	6185 Lake Michigan Dr.	Allendale	MI	49401	6168956777
01090	KLSG Pizza, LLC.	882 Van Dyke	Almont	MI	48003	8107980800

Exhibit J: Operational Franchisees

03617	Tri City Pizza Group, LLC	1132 W Chisholm St, Suite B	Alpena	MI	49707	9898846700
03608	Om Satname, LLC	2026 W Stadium	Ann Arbor	MI	48103	7349994777
00072	Om Satname, LLC	3365 Washtenaw Ave., Unit J	Ann Arbor	MI	48104	7349290072
00018	Millennium Food Service, LLC	3011 E. Walton Blvd.	Auburn Hills	MI	48326	2483734330
01078	Millennium Food Service, LLC	843 N. Van Dyke	Bad Axe	MI	48413	9892693500
01006	Battle Creek Pizza, Inc. Hungry Howie's Properties, Inc.	189 Columbia Avenue 502 S. Euclid	Battle Creek Bay City	MI	49015	2699625400
00069						
00008	Berkley Pizza Company, Inc.	3675 W. 12 Mile Rd.	Berkley	MI	48072	2485451060
03612	Tri City Pizza Group, LLC	103 S State St	Big Rapids	MI	49307	2317968000
00564	Millennium Food Service, LLC	3935 Telegraph Road	Bloomfield Hills	MI	48302	2485946000
00077	Millennium Food Service, LLC Hungry Howie's Properties, Inc.	1615 South Opdyke Road 6182 Dixie Hwy	Bloomfield Twp. Bridgeport	MI	48304	2483344000
00599						
00027	Brighton Pizza Company	603 W. Grand River	Brighton	MI	48116	8102273771
00594	Brooklyn Pizza Company, LLC	250 S. Main	Brooklyn	MI	49230	5175922225
00587	Millennium Food Service, LLC	2466 South Center	Burton	MI	48519	8107421122
01036	Lesota, Ltd.	G4495 Fenton Road	Burton	MI	48529	8107678300
00561	Jackson Food Service, Inc.*	1626 N. Haggerty Rd.	Canton	MI	48187	7349815838
00068	Jackson Food Service, Inc.* Hungry Howie's Properties, Inc.	220 N. Canton Center Rd. 893 S. State Street	Canton Caro	MI	48187	7349810900
01079						
00547	Jerpie, Inc.	151 South Main Street #2	Cedar Springs	MI	49319	6166964444
01023	Charlotte Pizza Company, LLC	120 E. Lawrence	Charlotte	MI	48813	5175411100
00548	Millennium Food Service, LLC	1123 West Broad Street	Chesaning	MI	48616	9898455450
00598	Valiant North, Inc. Hungry Howie's Properties, Inc.	30130 23 Mile Rd. 25530 21 Mile Rd.	Chesterfield Chesterfield Twp	MI	48047	5864219600
00093						
00588	P & P Pizza, LLC.	919 N. McEwan	Clare	MI	48617	9893862345
00554	SMJ Inc.	3980 Ortonville Rd.	Clarkston	MI	48348	2486209002
01062	Clarkston Pizza Co.	4726 Clarkston Road	Clarkston	MI	48348	2483941200
00572	SMJ Inc.	6315 Sashabaw Rd.	Clarkston	MI	48346	2486257474

Exhibit J: Operational Franchisees

00022	Clawson Pizza Company	479 W. 14 Mile Rd.	Clawson	MI	48017	2482801480
00080	Hungry Howie's Properties, Inc.	20824 Hall Road	Clinton Twp	MI	48035	5867831500
00083	MT. CLEMENS PIZZA CORPORATION	37265 Groesbeck	Clinton Twp.	MI	48036	5864636300
01064	Hungry Howie's Properties, Inc.	530 South Mill Street	Clio	MI	48420	8106875000
01037	Stanley's Pizza Co.	518 Marshall Street	Coldwater	MI	49036	5172792992
00060	Union Lake Pizza Company, LLC	3183 Union Lake Rd.	Commerce Twp.	MI	48382	2483632050
00573	Jerpie, Inc.	1136 Randall Street West	Coopersville	MI	49404	6169979797
00096	Venture Services, LTD.	1026 South State, #C	Davison	MI	48423	8106536688
00004	Jackson Food Service, Inc.*	3736 Monroe	Dearborn	MI	48124	3132781230
00541	Murk's Village Market Inc.	108 East Delaware	Decatur	MI	49045	2694238100
03615	Interlink Foods - Lafayette, LLC	1533 E Lafayette St	Detroit	MI	48207	3134844800
01081	Dewitt Pizza Company, LLC	121 East Main Street	DeWitt	MI	48820	5176692555
03619	RJC Pizza, Inc.	102 Cabela Blvd East	Dundee	MI	48131	7345297272
01031	SMJ, Inc.	8769 E. Monroe	Durand	MI	48429	9892882323
00570	East Lansing Pizza, LLC	3499 East Lake Lansing Rd.	East Lansing	MI	48823	5173321020
01051	Hungry Howie's Properties, Inc.	200 West Bay Street	East Tawas	MI	48730	9893623100
00019	Hungry Howie's Properties, Inc.	22431 Kelly Rd.	Eastpointe	MI	48021	5864452220
01009	Eaton Rapids Pizza Company, LLC	916 S. Main Street	Eaton Rapids	MI	48827	5176636200
01007	Hungry Howie's Properties, Inc.	3200 Center Ave.	Essexville	MI	48732	9898942100
00038	Farmington Pies LLC	35103 Grand River Avenue	Farmington	MI	48335	2484741111
00029	Jeff Hearn (Legacy Store - No Agreement)	22467 Middlebelt Road	Farmington Hills	MI	48336	2484775210
00558	Farmington Pizza 2, LLC	27634 Middlebelt	Farmington Hills	MI	48334	2484429900
00095	Jackson Pizza Company LLC	1003 N. Leroy	Fenton	MI	48430	8106293100
00026	Ferndale Pizza Company, Inc	419 W. 9 Mile Rd.	Ferndale	MI	48220	2485460643
00089	Breakaway Holdings, LLC	24637 Gibraltar Rd.	Flat Rock	MI	48134	7347832900

Exhibit J: Operational Franchisees

00040	Millennium Food Service, LLC	3625 Corunna Rd.	Flint	MI	48532	8102326522
00047	Millennium Food Service, LLC	4020 Richfield	Flint	MI	48506	8102447070
01086	Lesota, Ltd.	1419 Flushing Road	Flushing	MI	48433	8104877000
00592	Blue Water Pizza Group, LLC	4865 24th Ave, Unit #300	Fort Gratiot	MI	48059	8103859500
01085	Fowlerville Land Company, LLC	601 West Grand River	Fowlerville	MI	48836	5172233200
01092	Hungry Howie's Properties, Inc.	479 North Main St.	Frankenmuth	MI	48734	9896528850
00586	Millennium Food Service, LLC	115 S. Main, #6B	Freeland	MI	48623	9896955700
00054	Jackson Food Service, Inc.*	28532 Ford Rd.	Garden City	MI	48135	7345222121
01074	Hungry Howie's Properties, Inc.	742 W. Cedar	Gladwin	MI	48624	9894261868
01002	SMJA, Inc.	11565 S. Saginaw St.	Grand Blanc	MI	48439	8106956700
03616	GH Pizza Corporation	300 North Beacon	Grand Haven	MI	49417	6164996644
01043	Grand Ledge Pizza Company, Inc.	669 E Saginaw Hwy., Suite 200	Grand Ledge	MI	48837	5176278300
01080	J & J Food, Inc.	1808 Breton Rd. S.E	Grand Rapids	MI	49506	6169549999
00530	Martin H Enterprises, Inc.	2221 Plainfield Ave.	Grand Rapids	MI	49505	6163634055
01063	CMA I, Inc.	8535 Macomb	Grosse Ile	MI	48138	7346755800
03601	Metro Food Concepts, LLC	15316 East Jefferson	Grosse Pointe Park	MI	48230	3138237000
00049	Grosse Pointe Pizza, Inc.	21143 Mack Ave.	Grosse Pointe Woods	MI	48236	3138864500
01021	Harrison Pizza Company	35410 Jefferson	Harrison Twp.	MI	48045	5867915005
00090	SMJ, Inc.	2760 Bella Vita	Hartland	MI	48353	8106325959
01035	Jacinto Foods, Inc.	125 S Jefferson St	Hastings	MI	49058	2699455500
00575	Hazel Park Pizza, L.L.C.	914 E. 9 Mile Rd	Hazel Park	MI	48030	2486919040
00025	SMJ, Inc.	2330 S. Milford Rd.	Highland	MI	48357	2486847300
01083	SMJ, Inc.	2844 E. Highland Rd.	Highland	MI	48356	2488898690
01057	Hillsdale Howie's, Inc.	4 West Carleton	Hillsdale	MI	49242	5174370600
00584	Zeeland Pizza Corporation	65 Douglas, Ste. 6	Holland	MI	49424	6165464444
01068	Millennium Food Service, LLC	1010 N. Saginaw	Holly	MI	48442	2483281000
01049	Holt KD, LLC.	2460 Cedar St	Holt	MI	48842	5176999000
00563	Millennium Food Service, LLC	3057 West Houghton Lake Drive	Houghton Lake	MI	48629	9893661234

Exhibit J: Operational Franchisees

00056	Howell Pizza Company, LLC NEW MILLENNIUM MANAGEMENT	2560 Grand River #11	Howell	MI	48843	5175480067
00596		325 Railroad Street	Hudson	MI	49247	5174484694
01030	HH Prop. Holdings, Inc.	583 Cedar	Imlay City	MI	48444	8107244515
01097	Jackson Pies, LLC	836 N. West Ave.	Jackson	MI	49202	5178172000
01010	J & J Food, Inc.	1929 Baldwin Road	Jenison	MI	49428	6164573333
00075	Smith Pizza Service	1381 S. Drake Rd. Suite 1	Kalamazoo	MI	49006	2693731600
01020	KB Pizza Company	3036 Portage Street	Kalamazoo	MI	49001	2693816144
01069	KZoo Pizza Co., Inc.	5455 Gull Rd.	Kalamazoo	MI	49008	2693426002
01048	Brav, Inc.	7949 South 8th Street	Kalamazoo	MI	49009	2693757970
00067	Little Pete's, Inc.	2170 Cass Lake Road	Keego Harbor	MI	48320	2486838383
00048	Beale's Meals on Wheels, Inc.	5248 Eastern Ave SE	Kentwood	MI	49508	6165324433
01013	Blue Water Pizza Group, LLC	5305 Lapeer Rd	Kimball	MI	48074	8109848800
00066	Millennium Food Service, LLC	195 N. Park Blvd.	Lake Orion	MI	48362	2486936666
00065	Pinckney Pizza Company, LLC	4640 E. M-36, Box 368	Lakeland	MI	48143	8102319888
00084	WAM Foods, Inc.	3415 E Saginaw St, Suite 3	Lansing	MI	48912	5173369111
00063	VAC Foods, Inc.	742 N. Waverly Rd.	Lansing	MI	48917	5173214404
00051	J & M Foodservices, Inc.	900 West Holmes Rd.	Lansing	MI	48910	5173940300
00092	Millennium Food Service, LLC	630 West Genesee Street	Lapeer	MI	48446	8106672000
03604	Corse, Inc.	1863 Southfield Rd.	Lincoln Park	MI	48146	3133579000
01044	SMJ, Inc.	8351 Silver Lake Road	Linden	MI	48451	8107355803
00005	Jeff Hearn (Legacy Store- No Agreement)	27448 West 7 Mile Road	Livonia	MI	48152	2487773300
00017	Jeff Hearn (Legacy Store - No Agreement)	33699 Five Mile Road	Livonia	MI	48154	7344275050
00560	Jackson Food Service, Inc.*	8821 Newburgh Rd.	Livonia	MI	48150	7342930400
00528	Pat Patterson Properties, Inc.	5485 West US Highway 10	Ludington	MI	49431	2318436363
01094	Millennium Food Service, LLC	51074 Romeo Plank Rd.	Macomb Twp	MI	48044	5869921900
99999	Test Store	30300 Stephenson Hwy.	Madison Heights	MI	48071	2484143300
00020	Valiant Holdings, Inc.	30495 John R.	Madison Heights	MI	48071	2485839944
00087	Hungry Howie's Properties, Inc.	105 Fairbanks	Marine City	MI	48039	8107651100

Exhibit J: Operational Franchisees

00535	Marshall Pizza Company	15252 Old 27 N	Marshall	MI	49068	2697813555
00050	Blue Water Pizza Group, LLC	3240 Gratiot Blvd	Marysville	MI	48040	8103643360
01019	Mason Pizza Company, LLC	222 North Cedar	Mason	MI	48854	5176766622
03609	Breakaway Holdings, LLC Metamora Food Management, Inc.	18310 Allen Rd	Melvindale	MI	48122	3133827000
00595	Jacinto Pizza, LLC	3562 South Lapeer Ste. C	Metamora	MI	48455	8106782600
01027	Tri City Pizza Group, LLC	11300 W. M-179 Hwy.	Middleville	MI	49333	2697953250
00088	Milan Pizza, Inc.	425 S. Saginaw	Midland	MI	48640	9898325292
00593	SMJ, Inc.	6 West Main	Milan	MI	48160	7344391716
00529	Milan Pizza, Inc.	171 S Milford Rd	Milford	MI	48381	2487140063
01050	Lesota, Ltd. Individual Name (Tom Hutchinson & Douglas Myers) J & M ENTERPRISES OF	2239 N. Telegraph Rd., Unit 8	Monroe	MI	48162	7346391245
00098	NEW BALTIMORE, LLC	11360 Saginaw St	Mt Morris	MI	48458	8106865577
00076	Millennium Food Service, LLC	111 S. Mission	Mt. Pleasant	MI	48858	9897720044
01093	Beezer's, L.L.C.	37595 Green Street	New Baltimore	MI	48047	5867254999
01018	Novi Pizza Company LLC	59065 Gratiot	New Haven	MI	48048	5867493355
00544	Oak Park Pizza Company, Inc	555 Seven Mile Road	Northville	MI	48167	2483058376
01087	Oakland Pizza The Word Enterprises-Haslett, LLC	24265 Novi Road	Novi	MI	48375	2483481111
01000	SMJ, Inc. Hungry Howie's Properties, Inc.	24691 Coolidge Hwy	Oak Park	MI	48237	2485454010
00537	Pizza Guys, Inc.	4930 North Adams Rd	Oakland Twp	MI	48306	2482769999
03613	Perry Pizza Corp Jeff Hearn (Legacy Store - No Agreement)	2160 W Grand River Rd.	Okemos	MI	48864	5173394333
01096	BALDWIN PIZZA CO., INC.	280 North Ortonville Road	Ortonville	MI	48462	2486275255
00023	Blue Water Pizza Group, LLC	5160 North US Hwy 23	Oscoda	MI	48750	9897391300
00081	Blue Water Pizza Group, LLC	116 S Shiawassee, Suite A	Owosso	MI	48867	9899364141
00091	Jackson Food Service, Inc.*	3058 Britton Road	Perry	MI	48872	5176255555
00014		1327 South Main Street	Plymouth	MI	48170	7344533550
		763 Baldwin Ave	Pontiac	MI	48340	2483329200
		1618 Stone	Port Huron	MI	48060	8109877000
		25249 Plymouth Rd.	Redford	MI	48239	3135348844

Exhibit J: Operational Franchisees

01038	Millennium Food Service, LLC River Rouge Pizza Company, Inc	67437 Main Street	Richmond	MI	48062	5867274410
00071		11389 West Jefferson Ave.	River Rouge	MI	48218	3138434100
00058	Metro Food Concepts, LLC	19182 Fort St.	Riverview	MI	48193	7344791900
00021	RMJA, LLC.	606 N. Main St.	Rochester	MI	48307	2486522010
00085	RMJA, LLC.	2638 S. Rochester Rd.	Rochester Hills	MI	48307	2488520002
01099	Jerpie, Inc. Hungry Howie's Properties, Inc.	159 Marcell Drive NE	Rockford	MI	49341	6168638888
00033		17744 Frazho	Roseville	MI	48066	5867725600
00053	Millennium Food Service, LLC Royal Oak Pizza Company, Inc.	29042 Utica Rd.	Roseville	MI	48066	5867769700
00042		904 E. 11 Mile Rd.	Royal Oak	MI	48067	2485458090
01016	Hungry Howie's Properties, Inc. Hungry Howie's Properties, Inc.	3576 Bay Road	Saginaw	MI	48603	9897926300
01039		4938 Gratiot	Saginaw	MI	48603	9897935100
01077	Milan Pizza, Inc.	439 E. Michigan Ave.	Saline	MI	48176	7349449188
01045	BANYAN VENTURES, L.L.C. SHELBY FOOD MANAGEMENT, INC.	910 Ashmun St.	Sault Ste. Marie	MI	49783	9066326699
01004		49143 Schoenherr	Shelby Twp	MI	48315	5867395100
00078	Shelby Pizza Corporation	54840 Mound Rd.	Shelby Twp	MI	48316	2486563300
00097	Individual (David Plait)	513 S. Lafayette	South Lyon	MI	48178	2484867900
00032	Southfield Pizza Co.	22040 W. 10 Mile Rd.	Southfield	MI	48033	2483508290
00002	Metro Food Concepts, LLC	16083 Eureka Rd.	Southgate	MI	48195	7342820700
00059	Blue Water Pizza Group, LLC	201 N. Riverside Avenue	St. Clair	MI	48079	8103295900
00039	St. Clair Shores Pizza Corp.	31400 Harper Ave.	St. Clair Shores	MI	48082	5862948090
00031	Millennium Food Service, LLC	13229 14 Mile Rd.	Sterling Heights	MI	48312	5862640215
00062	Sterling Heights Pizza Co., Inc. Hungry Howie's Properties, Inc.	4078 17 Mile Rd	Sterling Heights	MI	48310	5862688800
00037		43067 Hayes	Sterling Heights	MI	48313	5865669700
00061	AJ & J, Inc. STOCKBRIDGE PIZZA COMPANY, LLC	43747 Van Dyke	Sterling Heights	MI	48314	5867269300
00566		200 South Clinton Street	Stockbridge	MI	49285	5178517447
01008	Millennium Food Service, LLC	7567 Miller Road	Swartz Creek	MI	48473	8106357171

Exhibit J: Operational Franchisees

00003	Jackson Food Service, Inc.*	27198 Eureka Rd.	Taylor	MI	48180	7349429500
00001	Jackson Food Service, Inc.*	8225 S. Telegraph Rd.	Taylor	MI	48180	3132952350
01032	Breakaway Holdings, LLC	3921 West Road	Trenton	MI	48183	7346925560
00035	Birmingham Pizza, LLC.	3615 Rochester Rd.	Troy	MI	48083	2486898400
00073	Vallon, Inc.	10784 Belleville	Van Buren Twp	MI	48111	7346974545
01040	Smith Pizza Service L.L.C.	200 East Prairie	Vicksburg	MI	49097	2696499099
01075	JO-CO Restaurants, LLC Walled Lake Pizza Company,	4069 Lake Michigan Drive	Walker	MI	49504	6167352050
00055	LLC	954 N. Pontiac Trail	Walled Lake	MI	48390	2486248006
00045	Millennium Food Service, LLC	22945 Hoover	Warren	MI	48089	5867571500
03600	Millennium Food Service, LLC	29142 Hoover Rd.	Warren	MI	48093	5865584800
00028	Warren Pizza L.L.C.	31912 Ryan Road	Warren	MI	48092	5869393290
00057	Nine Mile Pizza Company, LLC.	4652 E. Nine Mile Rd.	Warren	MI	48091	5867545355
00070	Romeo Food Management, Inc.	64203 Van Dyke	Washington/Romeo	MI	48095	5867525200
00024	Little Pete's Inc.	4212 Highland Rd	Waterford	MI	48328	2486817070
00043	Little Pete's, Inc	5592 Dixie Hwy.	Waterford	MI	48329	2486231620
03605	Smith Pizza Service, LLC	334 Reno Drive	Wayland	MI	49348	2697921510
00016	Jackson Food Service, Inc.*	5711 S. Wayne Rd.	Wayne	MI	48184	7343268990
01024	B. Jacobs, Inc.	6453 Farmington Road	West Bloomfield	MI	48322	2486269922
00011	Jackson Food Service, Inc.*	1820 S. Newburgh Rd.	Westland	MI	48186	7347210600
00015	Jackson Food Service, Inc.*	33700 Ford Rd.	Westland	MI	48185	7344220333
00007	Jackson Food Service, Inc.*	8232 N. Merriman Rd.	Westland	MI	48185	7342615660
00099	Little Pete's, Inc.	9135 Highland Road	White Lake	MI	48383	2486981940
01082	Whitmore Lake Pizza Company, LLC	11930 Whitmore Lake Rd.	Whitmore Lake	MI	48189	7344499100
00094	Williamston Pizza, Inc.	205 West Grand River	Williamston	MI	48895	5176555900
01014	Wixom Pizza Company, LLC	31204 S. Wixom Road	Wixom	MI	48393	2489600100
01005	Lentrek, Inc.	1534 Ford Ave	Wyandotte	MI	48192	7342824026
00550	Wyoming Pizza Corp.	1851 44th St SW, Suite D	Wyoming	MI	49519	6162497070
00567	H2 Ypsi Pizza, Inc.	1530 Holmes Rd.	Ypsilanti	MI	48198	7348965151

Exhibit J: Operational Franchisees

00527	WD 3 Ypsilanti, Inc.	1874 Whittaker Road	Ypsilanti	MI	48197	7344800400
00539	Zeeland Pizza Corporation	26 N. State St.	Zeeland	MI	49464	6167727070

MISSISSIPPI

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
09003	GMLV, LLC	1060 Spillway Circle	Brandon	MS	39047	6017060418
09002	AKNPS, LLC	7157 Old Canton Rd.	Ridgeland	MS	39157	6018985008
09005	GMLV, LLC	87 Cotton Mill Drive	Starkville	MS	39759	6622705355

NEVADA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
00908	SSGILL LLC	4045 S. Buffalo Rd., Suite A105	Las Vegas	NV	89147	7028322844
00906	North Vegas Pizza LLC	6365 Simmons Street	Las Vegas	NV	89031	7024331313
00907	ZaZilla LLC	7703 N. El Capitan Way, Suite 150	Las Vegas	NV	89143	7024324334

NORTH CAROLINA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
00639	E & F Pizza Perfect, LLC	915 South Point Rd, Suite J	Belmont	NC	28012	7044610535
00609	E & F Pizza Perfect, L.L.C.	668 Blowing Rock Rd.	Boone	NC	28607	8282645004
00610	E & F Pizza Perfect, L.L.C.	10039 University City Blvd., Suite C	Charlotte	NC	28262	7045984744
00608	E & F Pizza Perfect, L.L.C.	1707 Sardis Rd., North	Charlotte	NC	28270	7048455100
00619	E & F Pizza Perfect, L.L.C.	6426 W. Sugar Creek Rd., Unit A	Charlotte	NC	28269	7045094567
00611	E & F Pizza Perfect, L.L.C.	8334 Pineville-Matthews Rd., Suite 104	Charlotte	NC	28226	7047527577
00600	E & F Pizza Perfect, L.L.C.	8610-F Camfield Street	Charlotte	NC	28277	7045437900
00617	E & F Pizza Perfect, L.L.C.	8943 South Tryon St. Suite D	Charlotte	NC	28273	7045882000

Exhibit J: Operational Franchisees

00651	Moran Food Group LLC	9145 Cleveland Road, Suite 103	Clayton	NC	27520	9198792800
00647	E & F Pizza Perfect, LLC	5555 Concord Pkwy S	Concord	NC	28027	0000000000
00629	E & F Pizza Perfect, LLC	18059 W. Catawba Ave., Unit 8	Cornelius	NC	28031	7042373810
00631	Wasden Food Group, LLC	2318 Paintersmill Drive, Suite 105	Fayetteville	NC	28304	9102133888
00652	Wasden Group, LLC	550 N. Reilly Rd, Ste 106	Fayetteville	NC	28303	9109009001
00630	E & F Pizza Perfect, LLC	3320 Robinwood Rd	Gastonia	NC	28054	7048429100
00625	Muncie Enterprises LLC	5710 West Gate City Blvd.	Greensboro	NC	27407	3367630569
00635	F&S Pizza Perfect, LLC	2419 Springs Rd. NE Suite H	Hickory	NC	28601	8283032500
00623	E & F Pizza Perfect, L.L.C.	553 S. Indian Trail	Indian Trail	NC	28079	7048211004
00627	Pizza Company of Charleston, Inc.	2421 Gum Branch Road Unit 100	Jacksonville	NC	28540	9103553599
00649	Pizza Company of Charleston, Inc.	2805 Richlands Hwy #200	Jacksonville	NC	28540	9109393900
00643	Awesome Sauce, Inc.	1740 S Cannon Blvd	Kannapolis	NC	28083	7049354077
00632	Pizza Company of Charleston, Inc.	175 Freedom Way	Midway Park	NC	28544	9109396100
00612	Satut Holdings, LLC	1814 Oberlin Rd.	Raleigh	NC	27608	9197890001
00613	Satut Holdings, LLC	6701 Glenwood Ave.	Raleigh	NC	27612	9197823434
00638	E & F Pizza Perfect, LLC	1725 E Broad St Unit B	Statesville	NC	28625	7042538020
00615	The 4 Allens Corp.	166 Millers Creek Drive, Unit G	Winston-Salem	NC	27127	3367649898
00624	Muncie Enterprises LLC	3914 Country Club Road	Winston-Salem	NC	27104	3367689000

OHIO

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
00837	Great Lakes Pizza Group, LLC	634 West State St.	Alliance	OH	44601	3308219999
00835	Great Lakes Pizza Group, LLC	2121 Columbus Road, N.E.	Canton	OH	44705	3304555141
00832	Great Lakes Pizza Group, LLC	2411 Tuscarawas Street W.	Canton	OH	44708	3304531681
00818	HH Pizza Store #818, LLC	815 North Houk Rd.	Delaware	OH	43015	7403638020
00829	HHP Holding Company, LLC	1444 E. Main	Kent	OH	44240	3306775555
00823	Great Lakes Pizza Group, LLC	16210 Detroit Ave.	Lakewood	OH	44107	2165217200

Exhibit J: Operational Franchisees

00830	Great Lakes Pizza Group, LLC	9173 Mentor, Unit 2	Mentor	OH	44060	4402059595
00872	HHP Holding Company, LLC	35 North Cleveland Ave.	Mogadore	OH	44260	3306281164
00801	Toledough Pie Inc.	5820 Douglas Ave.	Toledo	OH	43613	4194742800
00873	HHP Holding Company, LLC	3939 Massillon Rd.	Uniontown	OH	44685	3308999993
00813	Great Lakes Pizza Group, LLC	24533 Center Ridge Rd.	Westlake	OH	44145	4408991236

OKLAHOMA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02706	The Lawson Group LLC	1669 S Yale Ave	Tulsa	OK	74112	9187709200
02705	The Lawson Group LLC	6703 East 81st St., Ste. B	Tulsa	OK	74133	9185230000

PENNSYLVANIA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02602	Remmco, Inc.	3329 Beale Ave.	Altoona	PA	16601	8149437000

SOUTH CAROLINA

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02512	MB Pizza, LLC.	4270 River Oaks Dr.	Carolina Forest	SC	29579	8438060008
02509	JP Enterprises of Greenville, LLC	2131 Woodruff Road, Unit 1800	Greenville	SC	29607	8645208226
02503	Grinnell Food Systems LLC	6801 St. Andrews Rd. Unit 15	Irmo	SC	29212	8037492669
02506	Succulus, LLC	203 B. East Butler Rd.	Mauldin	SC	29662	8646760100
02501	MB Pizza, LLC	1601 S Kings Hwy	Myrtle Beach	SC	29577	8434442000
02502	MB Pizza, LLC	4008 Hwy 17 S Unit B1	North Myrtle Beach	SC	29582	8433611300

TENNESSEE

Exhibit J: Operational Franchisees

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
01711	Anarchy Pizza, LLC	9200 Carothers Parkway	Franklin	TN	37067	6152248556
01717	Yellow Phoenix, Inc	458 E Broadway Blvd	Jefferson City	TN	37760	8652625222
01709	YELLOW PHOENIX, INC.	1501 E. Morris Blvd. Suite 4	Morristown	TN	37813	4235878889
01708	Hindusa, Inc.	2015B Lascassas Pike	Murfreesboro	TN	37130	6159003971
01713	TN Pizza Guy, LLC	63 E Thompson Lane, Suite 103	Nashville	TN	37211	6154018181

TEXAS

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
01530	Bird of College Station, LLC	105 Southwest Pkwy Ste. 400	College Station	TX	77840	9796936666
01543	Pizza with a Purpose II, LLC	1127 Eldridge Suite 450	Houston	TX	77077	3466330300
01542	RGM Hospitality LLC	9213 West Rd., Suite 100	Houston	TX	77064	3463550707
01540	Pizza with a Purpose, LLC	21003 Highland Knolls, Suite #110	Katy	TX	77450	2817126362
01507	Meadowland Investment LLC	6133 N Fry Rd	Katy	TX	77449	2813452500
01506	G & G Franchise Investments, Inc.	2019 E Del Mar Blvd., Suite 500	Laredo	TX	78041	9567444444
01501	Plymouth Beach, LLC	11309 Bandera Road, Suite 107	San Antonio	TX	78250	2106479856
01523	BDD Enterprises, L.P.	13486 San Pedro Ave. Ste. 103	San Antonio	TX	78216	2106509923

UTAH

<u>Store #</u>	<u>Franchisee</u>	<u>Street</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Phone Number</u>
02113	Two 3, Inc.	1917 W. 1800 N., A1	Clinton	UT	84015	3852628181
02114	Two 3, Inc.	14 N Fort Lane	Layton	UT	84041	3852091919
02110	RAAP Enterprises, Inc.	1475 N Main St	Logan	UT	84341	4359992929
02106	Santa Clara Pizza, LLC	1812 West Sunset Blvd. Unit #4	St George	UT	84770	4356565588
02107	Bloomington Pizza, LLC	144 West Brigham Rd. Unit #4	St. George	UT	84790	4356560011

Exhibit J: Operational Franchisees

02103 Washington Pizza, LLC 2736 Red Cliffs Dr. Unit #1 St. George UT 84790 4356749966

*Franchise is owned or controlled by either Steven E. Jackson or James R. Hearn or their family members or estates and pay a reduced or no royalty fee.

**Franchisee has development rights under an Area Developer Multiple Unit Addendum.

*Franchise is owned or controlled by either Steven E. Jackson or James R. Hearn or their family members or estates and pay a reduced or no royalty fee.

**Franchisee has development rights under an Area Developer Multiple Unit Addendum.

Exhibit K: Non-Operational Franchisees

ALABAMA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business No. or Email Address</u>
02331	Chavitas Pizza 4 LLC	Mobile	AL	carlosaranatx@gmail.com

ARKANSAS

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business No. or Email Address</u>
02904	Deem Investments, LLC	Conway	AR	zdeemer@gmail.com

MICHIGAN

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business No. or Email Address</u>
03618	Milan Pizza, Inc.	Monroe	MI	4pshannon@gmail.com
03620	Big Poppa Pizza, Inc.		MI	khersh52@gmail.com

NORTH CAROLINA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business No. or Email Address</u>
00648	Madd Jaq Pizza LLC	Clayton	NC	jfranklinsmith@yahoo.com
00640	E & F Pizza Perfect, LLC	Dallas	NC	eric@efpbrands.com
00650	Pizza Company of Charleston, Inc.	Jacksonville	NC	rnesti63@netscape.net

TEXAS

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business No. or Email Address</u>
01544	Pizza with a Purpose III, LLC	Katy	TX	chris@thepizzapurpose.com

Exhibit K: Non-Operational Franchisees

01545	Pizza with a Purpose, LLC	TX	chris@thepizzapurpose.com
01546	Pizza with a Purpose, LLC	TX	chris@thepizzapurpose.com

Exhibit L: Former Franchisees

CALIFORNIA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00370	S.C.A.R. Inc.	Covina	CA	(626) 966-3333	Ceased Operations
00369	EL & STU MacPizza, Inc.	Tehachapi	CA	(661) 822-1000	Transfer

COLORADO

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
04003	Mile High Motown, LLC	Thornton	CO	(303) 280-1539	Transfer

FLORIDA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00198	Gun Ho, Inc.	Tamoa	FL	(813) 239-3233	Transfer
00274	Boniday Foods, LLC	Fort Pierce	FL	(772) 462-3788	Transfer
03070	Order Up Inc.	Bunnell	FL	(386) 586-3977	Transfer
03004	Casselberry Foods, LLC	Casselberry	FL	(407) 767-6562	Ceased Operations
03065	Syms Fast Food 2, LLC	Cocoa	FL	(321) 349-0000	Ceased Operations
03066	Boynton Beach Pizza, LLC	Boynton Beach	FL	(561) 266-4772	Ceased Operations

INDIANA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
02014	Om Satname, LLC	Valparaiso	IN	(219) 476-0800	Transfer

LOUISIANA

Exhibit L: Former Franchisees

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
03802	RW Pizza Enterprises, Inc.	Baton Rouge	LA	(225) 272-4694	Transfer

MICHIGAN

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00558	B. Jacobs, Inc.	Farmington Hills	MI	(248) 442-9900	Transfer
00566	Williamston Pizza, Inc.	Stockbridge	MI	(517) 851-7447	Transfer
00595	SKG Pizza, LLC	Metamora	MI	(810) 678-2600	Transfer
01030	MT Pizza	Imlay City	MI	(810) 724-4515	Transfer
03615	Interlink Pizza, LLC	Detroit	MI	(313) 484-4800	Transfer of controlling interest. No r change.
00577	Dunn Pizza, Inc.	Ann Arbor	MI	(734) 773-1010	Ceased Operations
00567	H2 Ypsi Pizza, Inc.	Ypsilanti	MI	(734) 896-5151	Transfer of controlling interest. No r change.

NEVADA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00907	North Vegas Pizza, LLC	Las Vegas	NV	(702) 432-4334	Transfer

OHIO

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
00801	P & N Pizza	Toledo	OH	(419) 474-2800	Transfer

PENNSYLVANIA

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
02601	Pie Guys, LLC	Erie	PA	(814) 899-4242	Ceased Operations

Exhibit L: Former Franchisees

02603	Pie Guys, LLC	Erie	PA	(814) 464-0202	Ceased Operations
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TEXAS

<u>Store #</u>	<u>Franchisee</u>	<u>City</u>	<u>State</u>	<u>Business Phone No.</u>	<u>Notes</u>
01534	Triple H Foods, LLC	Houston	TX	(346) 214-1010	Ceased Operations
01538	V Partners LLC	El Paso	TX	(915) 706-2171	Ceased Operations

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, Indiana, Michigan, Minnesota, New York, North Dakota, Rhode Island, Virginia, 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	pending
Hawaii	
Illinois	
Indiana	pending
Maryland	
Michigan	April 4, 2023
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 M:
Receipt

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

If Hungry Howie's Pizza & Subs, Inc. 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.

If Hungry Howie's does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state agency identified on Exhibit A.

The franchisor is Hungry Howie's Pizza & Subs, Inc., located at 30300 Stephenson Hwy., Suite 200, Madison Heights, Michigan 48071. Our phone number is (248) 414.3300.

The franchise sellers for this offering are Steve Clough, Shelley Boatright, and Elizabeth M. Reifert, each located at our address and available at our phone number. The name, principal business address and telephone number of each additional franchise seller is on the attached Addendum.

The issue date of this Disclosure Document is April 3, 2023.

We authorize the respective state agents identified on Exhibit A to receive service of process for us in their particular states.

I have received a Disclosure Document from Hungry Howie's Pizza & Subs, Inc. dated April 3, 2023, that included the following Exhibits:

- | | |
|---|--|
| A. State Addenda to Disclosure Document | H. General Release |
| B. State Agencies/Agents for Service of Process | I. Confidentiality Agreement |
| C. Financial Statements | J. List of Operational Franchisees |
| D. Unaudited Financial Statements | K. List of Non-Operational Franchisees |
| E. Franchise Agreement | L. List of Former Franchisees |
| F. Area Developer Multiple Unit Addendum | M. Receipt |
| G. Standard Lease Rider to Franchise Agreement | |

Dated: _____

[Signature of prospective franchisee]

[Printed name of prospective franchisee], an individual

and as [officer, partner or member] of _____,
[name of prospective franchisee's business entity]

[a/an] [state of formation] [corporation, partnership or limited liability company] and any other prospective franchisee entity (currently in existence or formed in the future) of which the above individual is an officer, partner or member.

After signing and dating this Receipt, you may return it to us by sending the original via first class mail to our address above, faxing to (248) 414-3301 or emailing it to us. You may keep the second copy for your records.

Addendum to Exhibit M: Receipt

HUNGRY HOWIE'S PIZZA & SUBS, INC.

TO: _____

DATE: _____, _____

The name, principal business address, and telephone number of each franchise seller offering this franchise (in addition to those listed on the Receipt) is listed below.

Franchise Seller's Name	
Principal Business Address	
Telephone Number	

This Addendum to Receipt should be attached to the Receipt signed by you acknowledging receipt of the Disclosure Document.

Receipt

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

If Hungry Howie's Pizza & Subs, Inc. 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.

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| F. Area Developer Multiple Unit Addendum | M. Receipt |
| G. Standard Lease Rider to Franchise Agreement | |

Dated: _____

[Signature of prospective franchisee]

[Printed name of prospective franchisee], an individual

and as [officer, partner or member] of _____,
[name of prospective franchisee's business entity]

[a/an] [state of formation] [corporation, partnership or limited liability company] and any other prospective franchisee entity (currently in existence or formed in the future) of which the above individual is an officer, partner or member.

Addendum to Exhibit M: Receipt

HUNGRY HOWIE'S PIZZA & SUBS, INC.

TO: _____

DATE: _____, _____

The name, principal business address, and telephone number of each franchise seller offering this franchise (in addition to those listed on the Receipt) is listed below.

Franchise Seller's Name	
Principal Business Address	
Telephone Number	

This Addendum to Receipt should be attached to the Receipt signed by you acknowledging receipt of the Disclosure Document.