FRANCHISE DISCLOSURE DOCUMENT

SLOAN'S FRANCHISE LLC
A Florida Limited Liability Company
1652 Mercer Avenue
West Palm Beach, Florida 33401
(561) 839-3000
www.sloansicecream.com

The franchise offered is for the establishment and operation of a business that offers its customers top quality ice cream, candy products, baked goods and merchandise.

We offer 2 franchise programs:

A single Sloan's franchised business. The total investment necessary to begin operations of a Sloan's franchised business is: $877,609 to $1,503,393 for a "Traditional" Sloan's franchised business; and $581,032 to $928,999 for an "Express" Sloan's franchised business. This includes $58,000 to $61,000 that must be paid to the franchisor or an affiliate.

Multiple Sloan's franchised businesses. The total investment necessary to begin operation of multiple Sloan's franchised businesses ranges from $589,032 to $1,639,393 (but can be more if you choose to develop more than 10 units). This includes $66,000 to $197,000 that must be paid to the franchisor or an affiliate, including the amounts for the first unit.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Sloan Kamenstein, 1652 Mercer Avenue, West Palm Beach, Florida 33401, (561) 839-3000, franchise@sloansicecream.com.

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.

Issuance date: April 16, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and area development agreement require you to resolve disputes with the franchisor and its affiliate by mediation, arbitration and/or litigation in Palm Beach County, Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Palm Beach County, Florida than in your own state.

2. **Financial Condition.** The franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the franchisor's financial ability to provide services and support to you.

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.

(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)

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.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(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 protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373 7117

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Exhibits

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

To simplify the language in this Disclosure Document, the words "Franchisor," "we," "our," "us" and "Sloan's" refer to Sloan's Franchise LLC, the franchisor of this business (but not to our officers, directors, agents, employees, affiliates, parents, or subsidiaries). "You" and "your" refer to the person who buys the franchise, whether you are a corporation, limited liability company or other business entity. If you are a corporation, limited liability company or other business entity, certain provisions of this Disclosure Document also apply to your owners and will be noted.

The Franchisor

We are a Florida limited liability company formed on October 12, 2011 to offer Sloan's franchises. Our principal business address is 1652 Mercer Avenue, West Palm Beach, Florida 33401. We do business under our corporate name and under the name Sloan's. We have offered franchises since April 2012.

We franchise the right to operate a business that offers its customers top quality ice cream, candy products, baked goods and merchandise. The franchise or franchised business does business under the trade name, or trademark, Sloan's, and also uses our other related service marks, trademarks or logos (our "Marks"). A Sloan's franchised business may operate from either: (1) a "Traditional" Sloan's franchised business which typically requires a premises between 1,500 to 2,400 square feet and is usually located within a high traffic area, or (2) an "Express" Sloan's franchised business which typically will require a premises between 1,000 to 1,400 square feet and a lower capital investment as compared to the "Traditional" Sloan's franchised business. The operation and overall design of the "Traditional" and "Express" Sloan's franchised businesses are virtually identical except for the size of the premises of the franchised businesses. Unless otherwise specified in this Disclosure Document, the use of the term "franchised business(es)" applies to both "Traditional" and "Express" franchised businesses. The franchise operates using our standards, methods, procedures and specifications, called our "System."

We do not operate a business of the type being franchised. We are not involved in any other business activities.

We also offer development rights to develop and operate multiple franchises. The number of franchises which can be developed is predetermined and must be located in a "Development Territory." Each location must be operating within a set time frame. If we agree to offer you development rights, you will sign an area developer agreement (attached as Exhibit C to this disclosure document); in addition, for each franchise unit, you will sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

Our Parents, Predecessors and Affiliates

We do not have any parent companies or predecessors. We have 5 affiliates.

Sloan's, Inc., (our affiliate) was incorporated in Florida on September 28, 1998 and has its principal place of business located at 112 Clematis Street, West Palm Beach, Florida 33401. Our affiliate owns and operates 2 "Traditional" Sloan's businesses similar in nature to the type of business being franchised located at 112 Clematis Street, West Palm Beach, Florida 33401 and 329 Plaza Real Mizner Park, Boca Raton, Florida 33432 since November 1999.

Sloan's Rosemary Avenue, Inc. (our affiliate) was incorporated on October 16, 2008 and has its principal place of business located at 1652 Mercer Avenue, West Palm Beach, Florida 33401. Our affiliate owns and operates 1 "Traditional" Sloan's business similar in nature to the type of business being franchised located at 700 S. Rosemary Avenue, West Palm Beach, Florida 33401 since October 2008.

Sloan's Topanga Village, LLC (our affiliate) was formed in Florida on April 14, 2014 (and changed its name on February 18, 2015) and has its principal place of business located at 1652 Mercer Avenue, West Palm Beach, Florida 33401. Our affiliate owns and operates 1 "Traditional" Sloan's business similar in nature to the type of business being franchised located at 6250 Topanga Canyon Blvd., Suite 1560, Woodland Hills, California 91367 since September 2015.

Sloan's at the Venetian, LLC (our affiliate) was incorporated on March 14, 2017 and has its principal place of business located at 1652 Mercer Avenue, West Palm Beach, Florida 33401. Our affiliate owns and operates 1 "Traditional" Sloan's business similar in nature to the type of business being franchised located at 3377 S. Las Vegas Boulevard, Suite 2255, Las Vegas, Nevada 89109 since December 2017.

Sloan's Manufacturing and Distribution, LLC (our affiliate) was formed on September 10, 2013 and has its principal place of business located at 1652 Mercer Avenue, West Palm Beach, Florida 33401. Our affiliate manufactures and distributes required ice cream products to Sloan's franchisees.

Our affiliates do not currently offer and have not previously offered franchises in this or any other line of business.

General Description of the Market and Competition

A Sloan's franchise offers top quality ice cream, candy products, baked goods and merchandise to the general public. You may have to compete with other businesses, including franchised operations, national chains and independently owned companies offering ice cream and other similar items to customers. You may also encounter competition from other Sloan's franchises. Changes in local and national economic conditions and population density affect this industry and are generally difficult to predict.

Regulations Specific to the Industry

Most states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your business, including those that: (a) require a permit, certificate or other license; (b) establish general standards, specifications and requirements for the construction, design and maintenance of the business premises; (c) regulate matters affecting the health, safety and welfare of your customers, including general health and sanitation requirements for the storage, and handling of foods and beverages, restrictions on smoking, availability of and requirements for public accommodations, including restrooms; (d) set standards pertaining to employee health and safety; (e) regulate matters affecting requirements for accommodations for disabled persons; (f) set standards and requirements for fire safety and general emergency preparedness; and (g) regulate the proper use, storage and disposal of waste. You must investigate and comply with all applicable laws and regulations. You alone are responsible for complying with all applicable laws and regulations despite any advice or information that we may give you.

Agents for Service of Process

Sloan Kamenstein, 1652 Mercer Avenue, West Palm Beach, Florida 33401, is one of our agents for service of process. Our other agents for service of process are listed in Exhibit A of this Disclosure Document.

Item 2
BUSINESS EXPERIENCE

President: Sloan Kamenstein

Mr. Kamenstein has served as our President since our formation in October 2011. In addition, since October 1998, Mr. Kamenstein has served as the President of our Affiliate, Sloan's, Inc. In addition, since October 2008, Mr. Kamenstein has served as the President of our Affiliate, Sloan's Rosemary Avenue, Inc.

Chief Financial Officer: David Kamenstein

Mr. David Kamenstein is our Chief Financial Officer since January 2013. In addition, Mr. Kamenstein has been a Consultant for our affiliates since 1998.

Director of Franchising: David Wild

Mr. Wild has served as the Director of Franchising since May 2012. Before joining Sloan's Franchise LLC, Mr. Wild served as the Vice President of Francorp, Inc., a franchise consulting firm in Olympia Fields, Illinois, since 2007.

Chief Merchandising and Creative Officer: Carol Kamenstein

Mrs. Kamenstein is our Chief Merchandising and Creative Officer since January 2013. In addition, Mrs. Kamenstein has been Chief Merchandising Officer for our affiliates since 1998.

Item 3
LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

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

Item 5
INITIAL FEES

Franchise Fee

You pay us a $40,000 lump sum franchise fee when you sign the Franchise Agreement. If you are an existing Sloan's franchisee who is purchasing one or more additional Sloan's franchises, we will reduce the franchise fee for each of these additional businesses to $32,000. Except as noted in the previous sentence, the initial franchise fee is uniform as to all franchisees purchasing a Sloan's franchised business. During the previous fiscal year, the range of initial franchise fees we collected was $40,000.

We will refund 50% of the franchise fee you paid if we terminate the franchise for your failure to perform your pre-opening obligations under the Franchise Agreement and if you execute a general release in our favor.

Initial Supply of Sloan's Products

Before you begin operations, you will purchase an initial supply of ingredients, ice cream, paper products, baked goods and merchandise from us or our affiliate. The cost of the initial supply will vary depending on the quantity purchased and other factors. We estimate that your cost to purchase these items will range approximately $18,000 to $21,000. We will furnish you with additional products on an as-needed basis. We will only provide a refund for these products if they are defective.

Development Agreement

You are required to sign one Franchise Agreement and pay the franchise fee for the first franchised business at the same time you sign the Development Agreement. Under the terms of the Development Agreement, the franchise fees are discounted by 20% (to $32,000) under the Franchise Agreement for the first franchised business and for each additional franchised business you agree to develop. The number of franchised businesses you must open will be determined before you sign the Development Agreement.

Under the terms of the Development Agreement, you must pay a development fee equal to 50% of the sum of the individual discounted franchise fees for each of the franchised businesses you agree to develop after the first one. The development fee ranges from $16,000 (to develop 2 franchises) to $144,000 (to develop 10 franchises) or higher to develop more than 10 units. As a result, if (for example) you sign a Development Agreement for the development of 2 franchised businesses, you will sign one Franchise Agreement for the first franchise and pay an initial franchise fee of $32,000, plus the development fee will be $16,000 for the second franchise to be developed under the Development Agreement. If (for example), you sign a Development Agreement for the development of 10 franchises, you will sign one Franchise Agreement for the first franchise and pay an initial franchise fee of $32,000, plus the development fee will be the sum of $16,000 + $16,000 + $16,000 + $16,000 + $16,000 + $16,000 + $16,000 + $16,000 + $16,000 for each of the nine additional franchises to be developed under the Development Agreement for a total development fee of $144,000.

In the case of the second and each subsequent franchised business you are required to open under the Development Agreement, in accordance with a set schedule, you will also sign a Franchise Agreement before opening and pay the initial franchise fee, however, you will receive a credit against the franchise fee equal to the development fee you paid with respect to that franchised business.

The development fee is calculated uniformly, but the amount of the actual fee will vary based on the number of Sloan's businesses you agree to develop. We did not enter into any Development Agreements during the prior fiscal year and, therefore, did not collect any development fees.

The development fee is non-refundable under any circumstance, but is credited against the additional franchise fees as described above.

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	6% of gross sales	Payable weekly on Tuesday	You must pay your royalty fee directly to us. See definition of gross sales[1].
Marketing Fund Contribution	Currently, 1% of gross sales	Payable weekly on Tuesday	You pay your marketing fund contribution to us. We will give you 30 days' notice before increasing required contributions.
Audit Expenses[2]	All costs and expenses associated with audit, approximately $1,500 - $5,000	Upon demand	Audit costs payable only if the audit shows you underreported amounts you owe us by 3% or more.
Late Fees[3]	1.5% per month or the highest rate allowed by the state where you are located, whichever is lower	Upon demand	Applies to all overdue fees you owe us. Also applies to any understatement in amounts due revealed by an audit.
Approval of Products or Suppliers[4]	$500 - $1,000	Time of evaluation	Applies to the costs we expend in our evaluation of new suppliers you wish to purchase from or products you wish to purchase.
Insurance Policies	$500 - $2,500	Upon demand	Amount of unpaid premiums plus our reasonable expenses in obtaining the policies; payable to us only if you fail to maintain required insurance coverage and we elect to obtain coverage for you.

Transfer Fee	$10,000, plus any broker fees and other out-of-pocket expenses we incur	$1,500 when you notify us of your intention to transfer or sell your business; the balance due at the closing of the transaction	Does not apply to an assignment under Section 18.3 of the Franchise Agreement.
System Modifications	Not more than $25,000 during the initial term of the franchise	As required	If we make changes to our System, you must adapt your business to conform to the changes. Some examples of changes include new equipment, fixtures, software or new Marks.
Relocation Assistance	Approximately $750 - $1,500	Time of assistance	If you need our assistance to relocate, you must reimburse our costs to assist you.
Customer Service[5]	All costs incurred in assisting your customers, approximately $3,500 - $7,000	Upon demand	You must reimburse us if we determine it is necessary for us to provide service directly to your customers.
Substitute or New Manager Training/ Additional Training[6]	Currently, $500 per day, plus your expenses in attending	Time of training	We provide an initial training program before you begin operations and ongoing training programs during the term of the franchise. If you have to repeat our training programs, we may charge you a fee.
Additional Operations Assistance	Currently, $600 per day plus our expenses	Time of assistance	We provide assistance around the beginning of operations and during the term of the franchise. If you request additional assistance beyond what we provide, you may be charged a fee, plus our expenses if we need to travel to accommodate your request.
Cost of Enforcement	All costs including reasonable attorneys' fees	Upon demand	You must reimburse us for all costs in enforcing obligations if we prevail.

Brand Damages	Will vary under circumstances	As incurred	Due only if you terminate the Franchise Agreement before it expires, in which case you must pay us for all damages, costs and expenses related to the early termination.
Temporary Management Assistance	Currently, $600 per day, plus our expenses	Each month that it applies	If you breach the Franchise Agreement or following the death or incapacity of an owner of the franchise, we may temporarily manage your franchised business.
Indemnification	All of our costs and losses from any legal action related to the operation of your franchise or any act by you or your employees	Upon demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the development or operation of your franchise, or any act or omission by you or any employee of your business.

All fees are payable only to us. All fees are imposed by us and collected by us (other than software subscription charges). All fees are non-refundable. All fees are uniform; however, we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate. There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

We reserve the right to require you to pay royalty fees and other amounts due to us by pre-authorized bank draft or any other alternative method. If we permit you to pay by credit card or any other method which causes us to incur a processing fee, you will be responsible for the amount of the processing fee.

You must report your gross sales to us each week. If you fail to report your gross sales, we may withdraw estimated royalty fees and other amounts due based on 110% of the most recent gross sales you reported. We will true-up the actual fees after you report gross sales and will refund any excess fees collected.

Notes

[1] "Gross sales" means all revenue from the franchised business, including the proceeds of any business interruption insurance. Gross sales do not include sales tax or use tax.

[2] We assume costs vary depending on factors, including prevailing auditor's rates in your area, the business activity being audited and how well you keep your books and records. You pay our actual costs only. You should be able to investigate these costs by contacting auditors in your area.

[3] Late fees begin within 5 days after the due date.

[4] Costs vary depending on the availability of product samples for testing, shipping costs or travel costs to review the product, the type of product under review, whether the product or supplier has been rated and other similar factors. You pay our actual costs only.

[5] Costs vary depending on factors, including nature of the complaint, expertise needed and the time involved. You pay our actual costs only.

[6] We provide training programs to an individual you select to be the designated manager of the franchise. Your designated manager's attendance is required. We do not charge fees for these programs, but if you replace your designated manager and your manager changes are excessive or due to poor hiring practices, we may charge you a fee.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT - FRANCHISE AGREEMENT

Traditional Sloan's Franchised Business

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Franchise Fee[1]	$40,000 - $40,000	Cashier's Check	At Signing of Franchise Agreement	Us
Real Estate/Rent[2]	$6,875 - $50,000	As Arranged	Before Beginning Operations	Lessor
Utility Deposits[3]	$1,000 - $2,000	As Arranged	Before Beginning Operations	Utilities
Leasehold Improvements[4]	$319,514 - $615,901	As Arranged	Before Beginning Operations	Contractor, Suppliers
Insurance[5]	$1,000 - $7,000	As Arranged	Before Beginning Operations	Insurance Company
Office Equipment & Supplies[6]	$3,500 - $5,500	As Arranged	Before Beginning Operations	Suppliers
Training[7]	$2,500 - $10,000	As Arranged	During Training	Airlines, Hotels & Restaurants

Type of expenditure	Amount			Method of payment	When due	To whom payment is to be made
Signage[8]	$10,000	-	$15,000	As Arranged	Before Beginning Operations	Suppliers
Computers and Software[9]	$6,000	-	$8,000	As Arranged	Before Beginning Operations	Third Parties
Furniture, Fixtures & Equipment[10]	$414,995	-	$521,092	As Arranged	Before Beginning Operations	Approved Suppliers, Suppliers
Initial Inventory[11]	$40,000	-	$60,000	As Arranged	Before Beginning Operations	Us, Approved Suppliers, Suppliers
Grand Opening[12]	$0	-	$10,000	As Arranged	First 3 Months of Operation	Advertising Suppliers
Licenses & Permits[13]	$600	-	$900	As Arranged	Before Beginning Operations	Licensing Authorities
Legal & Accounting[14]	$6,000	-	$8,000	As Arranged	Before Beginning Operations	Attorney, Accountant
Additional Funds[15] (3 months)	$25,625	-	$150,000	As Arranged	As Necessary	Employees, Utilities, Lessor & Suppliers
Total	$877,609	-	$1,503,393			

Express Sloan's Franchised Business

Type of expenditure	Amount			Method of payment	When due	To whom payment is to be made
Franchise Fee[1]	$40,000	-	$40,000	Cashier's Check	At Signing of Franchise Agreement	Us
Real Estate/Rent[2]	$3,333	-	$16,333	As Arranged	Before Beginning Operations	Lessor
Utility Deposits[3]	$1,000	-	$2,000	As Arranged	Before Beginning Operations	Utilities

Type of expenditure	Amount			Method of payment	When due	To whom payment is to be made
Leasehold Improvements[4]	$293,475	-	$500,500	As Arranged	Before Beginning Operations	Contractor, Suppliers
Insurance[5]	$1,000	-	$7,600	As Arranged	Before Beginning Operations	Insurance Company
Office Equipment & Supplies[6]	$3,500	-	$5,500	As Arranged	Before Beginning Operations	Suppliers
Training[7]	$2,500	-	$10,000	As Arranged	During Training	Airlines, Hotels & Restaurants
Signage[8]	$10,000	-	$15,000	As Arranged	Before Beginning Operations	Suppliers
Computers and Software[9]	$4,000	-	$6,000	As Arranged	Before Beginning Operations	Third Parties
Furniture, Fixtures & Equipment[10]	$170,625	-	$214,500	As Arranged	Before Beginning Operations	Approved Suppliers, Suppliers
Initial Inventory[11]	$30,000	-	$50,000	As Arranged	Before Beginning Operations	Us, Approved Suppliers, Suppliers
Grand Opening[12]	$0	-	$10,000	As Arranged	First 3 Months of Operation	Advertising Suppliers
Licenses & Permits[13]	$600	-	$900	As Arranged	Before Beginning Operations	Licensing Authorities
Legal & Accounting[14]	$6,000	-	$8,000	As Arranged	Before Beginning Operations	Attorney, Accountant
Additional Funds[15] (3 months)	$14,999	-	$42,666	As Arranged	As Necessary	Employees, Utilities, Lessor & Suppliers
Total	$581,032	-	$928,999			

NOTES

[1] Franchise Fee. The franchise fee and its refund policy are described in greater detail in ITEM 5. We do not finance any fee.

[2] Real Estate/Rent. You must lease or otherwise provide a suitable facility for the operation of the franchised business:

Chart 1 – "Traditional" Sloan's Franchised Business: The "Traditional" Sloan's franchised business will range in size from 1,500 to 2,400 square feet. It is difficult to estimate lease acquisition costs because of the wide variation in these costs between various locations. Lease costs will vary based upon square footage, cost per square foot and required maintenance costs. The low estimate is based on an assumption that you will not have to pay 1 month's security deposit and is based on leasing a facility of 1,500 square feet. The high estimate is based on an assumption that you will have to pay rent plus a security deposit equal to 1 months' rent to lease the facility and is based on leasing a facility of 2,400 square feet at a higher cost per square foot. Some lessors may refund the security deposit if you cancel the lease before you occupy the premises. The estimated range of costs in this category only includes your costs to enter into a lease agreement for the facility. Estimated rental costs for 3 months are included with the category, "Additional Funds," (see Note 15 below).

Chart 2 – "Express" Sloan's Franchised Business: The "Express" Sloan's franchised business will range in size from 1,000 to 1,400 square feet. Lease costs will vary based upon square footage, cost per square foot and required maintenance costs. The low estimate is based on an assumption that you will not have to pay 1 month's security deposit and is based on leasing a facility of 1,000 square feet. The high estimate is based on an assumption that you will have to pay rent plus a security deposit equal to 1 months' rent to lease the facility and is based on leasing a facility of 1,400 square feet at a higher cost per square foot. Some lessors may refund the security deposit if you cancel the lease before you occupy the premises. The estimated range of costs in this category only includes your costs to enter into a lease agreement for the facility. Estimated rental costs for 3 months are included with the category, "Additional Funds," (see Note 15 below).

[3] Utility Deposits. If you are a new customer of your local utilities, you will generally have to pay deposits to obtain services, including electric, telephone, gas and water. The amount of the deposit and whether the deposit is refundable will vary depending on the local utilities. You should contact your local utilities for more information.

[4] Leasehold Improvements. To adapt a newly acquired facility for operation of the franchised business, it must be renovated. The cost of the leasehold improvements will vary depending on factors, including the size, condition and location of the facility, local wage rates and the cost of materials. The low estimates assume that your landlord will provide a partial build-out allowance of $50 per square foot. The amounts you pay for leasehold improvements are typically non-refundable. You should inquire about the refund policy of the contractor at or before the time of hiring.

[5] Insurance. You must purchase the following types and amounts of insurance:

(1) "all risk" property insurance coverage for assets and leasehold improvements of the franchised business;
(2) workers' compensation insurance and employer liability coverage with a minimum limit of $1,000,000 or higher if your state law requires;
(3) comprehensive general liability insurance with a minimum liability coverage of $1,000,000

per occurrence and $2,000,000 in the aggregate, or higher if your state law requires;

(4) business interruption insurance;
(5) automobile liability insurance of at least $1,000,000 or higher if your state law requires;
(6) employment practices liability insurance;
(7) occurrence based general liability coverage policy;
(8) $5,000,000 umbrella policy above the underlying liability coverage; and
(9) insurance coverage for contractual indemnity.

Factors that may affect your cost of insurance include the size and location of the franchised business, value of the leasehold improvements, equipment, inventory, number of employees and other factors. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase.

[6] Office Equipment & Supplies. You must purchase general office supplies including stationery, business cards and typical office equipment. Factors that may affect your cost of office equipment and supplies include local market conditions, competition among suppliers and other factors. We do not know if the amounts you pay for office equipment and supplies are refundable. Factors determining whether the amounts you pay for office equipment and supplies are refundable typically include the condition of the items at time of return, level of use and length of time of possession. You should inquire about the return and refund policy of the supplier at or before the time of purchase.

[7] Training. The cost of initial training is included in the franchise fee, but you are responsible for transportation and expenses for meals and lodging while attending training. The total cost will vary depending on the number of people attending, how far you travel and the type of accommodations you choose. These expenses are typically non-refundable. Before making airline ticket, hotel, rental car or other reservations, you should inquire about the refund policy in the event you need to cancel any reservation.

[8] Signage. This range includes the cost of all signage used in the franchised business. The signage requirements and costs will vary based upon the size and location of the franchised business, local zoning requirements, landlord requirements and local wage rates for installation. The amounts you pay for signage are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchase.

[9] Computers and Software. You must purchase the computer hardware and software that we require, including point-of-sale system, QuickBooks, credit card terminals and Microsoft Office. The amounts you pay for computer equipment and software are typically non-refundable, or if refundable, you may be subject to a “re-stocking” fee. You should inquire about the return and refund policy of the supplier at or before the time of purchasing.

[10] Furniture, Fixtures & Equipment. You must purchase and/or lease and install furniture, fixtures and equipment and décor necessary to operate your franchised business. The cost of the furniture, fixtures and equipment will vary according to local market conditions, the size of the facility, suppliers and other related factors. We do not know if the amounts you pay for furniture, fixtures or equipment are refundable. Factors determining whether furniture, fixtures and equipment are refundable typically include the condition of the items, level of use, length of time of possession and other variables. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing or leasing.

[11] Initial Inventory. You must purchase an opening inventory of ingredients, ice cream, various logoed paper products, candy products, baked goods and merchandise from us and other inventory items, including miscellaneous supplies and expendables from our approved suppliers for use in the

operation of the franchised business. We estimate that approximately $18,000 to $21,000 of this total amount would be paid to us or our affiliate. Initial inventory costs vary based upon the location and size of the franchised business, time of season, suppliers and other related factors. The amounts you pay us for ingredients, ice cream, candy products, baked goods and merchandise are non-refundable unless the products are defective. We do not know if the amounts you pay for other initial inventory items may be refundable. Factors determining whether other inventory items are refundable typically include the condition of the items at time of return, level of use, and length of time of possession and other factors. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

[12] Grand Opening. We do not require that you spend any amount on grand opening advertising during the first 3 months of operation, but you may choose to invest in grand opening advertising for your franchised business. If you choose to invest in grand opening advertising, the factors that may affect the actual amount you spend include the type of media used, the size of the area you advertise to, local media cost, location of the franchised business, time of year and customer demographics in the surrounding area. The amounts you spend for grand opening advertising are typically non-refundable. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

[13] Licenses & Permits. State and local government agencies typically charge fees for occupancy permits, operating licenses and construction permits. Your actual costs may vary from the estimates based on the requirements of state and local government agencies. These fees are typically non-refundable. You should inquire about the cancellation and refund policy of the agencies at or before the time of payment.

[14] Legal & Accounting. You will need to employ an attorney, an accountant and other consultants to assist you in establishing your franchised business. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants and consultants. These fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring.

[15] Additional Funds. We recommend that you have a minimum amount of money available to cover operating expenses, including rent, utilities and employees' salaries for the first 3 months that the franchised business is open. This includes any other required expenses you will incur before operations begin and during the initial 3-month period of operations, such as payroll, additional inventory, rent, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. Additional working capital may be required if sales are low or operating costs are high. These expenses are typically non-refundable.

[16] Total. In compiling these charts, we relied on our and our affiliates' industry knowledge and experience. The amounts shown are estimates only and may vary for many reasons, including the size and condition of your facility, the capabilities of your management team, where you locate your franchised business and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting the franchised business.

We do not offer direct or indirect financing to you for any items.

YOUR ESTIMATED INITIAL INVESTMENT - AREA DEVELOPMENT AGREEMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
First franchise less initial franchise fee (see table above)	$541,032 - $1,463,393			
Initial Franchise Fee for first franchise [1]	$32,000 - $32,000	Check or wire transfer	Upon signing the MUDA	Us
Development Fees [2]	$16,000 - $144000	Check	As incurred	Vendors and suppliers
Total [3]	$589,032 - $1,639,393			

NOTES

[1] Franchise Fee. If you are entering into a Development Agreement to open additional franchises, the franchise fee for each unit you will develop, including the first franchise, is discounted to $32,000. At the same time you acquire your development rights to open additional franchises, you sign a Franchise Agreement and pay the franchise fee of $32,000 for the first franchise and begin site selection for the development of your first franchised business. You also sign a Development Agreement and pay the development fee. (See Note 1.) You do not sign a Franchise Agreement and pay the franchise fee for the additional franchises until you are about to select a site and develop an additional franchise. At the time when you are about to develop an additional franchise, you sign a Franchise Agreement for the operation of the franchise and pay the franchise fee. We credit the payment of the development fee you already paid to your payment of the franchise fee so the payment due when signing the franchise agreement for the additional franchise will be just a balance equal to one-half of the discounted franchise fee.

[2] Development Fee. The low figure is based on the assumption that you enter into a Development Agreement to open 2 franchised businesses. To develop 2 franchises, you sign a Franchise Agreement and pay a franchise fee for the first franchised business. (See Note 1.) You also sign a Development Agreement and pay a development fee of $16,000 for the additional franchised business to be developed. The high figure in this category is based on the assumption that you enter into a Development Agreement to open 10 franchised businesses. To develop 10 franchises, you sign a Franchise Agreement and pay a franchise fee for the first franchised business the same as if you were developing 2. (See Note 1.) You also sign a Development Agreement and pay a development fee of $144,000 (which is 9 x $16,000) for the 9 additional franchised businesses to be developed. We credit the payment of the development fee for an additional franchise to your payment of the franchise fee for the additional franchise at the time when the franchise fee for the additional franchise comes due. (See Note 1.)

[3] Other Expenditures. The balance of your initial investment for the first franchised business is categorized by costs in the tables at the beginning of this ITEM 7. Your costs to develop the second and each additional franchised business may be affected by factors, including inflation, local labor costs, materials cost and other factors not within our control.

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

You must purchase your furniture, fixtures, products, supplies, equipment, including computer system and point-of-sale system equipment and software, inventory and signage under specifications in the Sloan's Franchise LLC Confidential Operations Manual ("Confidential Operations Manual"). These specifications include standards and specifications for appearance, quality, price, performance and functionality. These standards and specifications are based on our affiliates' experience in operating businesses of the type we are franchising and through research and testing in our affiliates' businesses. We may communicate our standards and specifications directly to suppliers who wish to supply you with furniture, fixtures, equipment, inventory and signage under specifications. We communicate our standards and specifications to you when we evaluate your proposed location for the franchised business, during training, before you conduct your grand opening advertising, during on-site opening assistance, during periodic visits to your franchise location and through the Confidential Operations Manual (including periodic bulletins). We will periodically issue new standards and specifications (if any) through written notices. In the event that we find new products that are to be sold in our franchised businesses, we will purchase the products, ship them to you, and bill you directly.

If we approve you to offer delivery and/or catering services in connection with the franchised business, you must make accommodations for delivery and/or catering services in compliance with our standards and specifications, including utilizing only the specified designated delivery and/or catering service providers we identify, making available the items identified as appropriate for delivery and/or catering (and only those designated items), and limiting the delivery and/or catering services to any delivery and/or catering area we specify to you in writing. (See Item 12)

Required and Approved Suppliers

You must purchase from approved suppliers your point-of-sale system equipment and software and a Sloan's business design package that includes murals, wallpaper, and other art work for your Sloan's business. Currently, you must purchase ingredients, ice cream, various paper products, baked goods and merchandise from our affiliate, Sloan's Manufacturing and Distribution, LLC. Sloan Kamenstein, David Kamenstein, Carol Kamenstein and David Wild each have an ownership interest in Sloan's Manufacturing and Distribution, LLC. There are no other suppliers in which one of our officers owns an interest. Any purchases from us and our affiliates, whether required or voluntary, generally will be at prices exceeding our costs so that we can make a profit (plus applicable taxes and shipping charges) (specific pricing depends on the particular item/service involved). As of our last fiscal year ending December 31, 2023, we did not derive any income from selling or leasing products or services to franchisees; however, during the fiscal year ending December 31, 2023, Sloan's Manufacturing and Distribution, LLC derived $826,335.75 (or approximately 30% of its total revenue of $2,749,961.90) in revenue from the sale of ice cream, merchandise, paper goods, and other miscellaneous products to franchisees. Except as noted above, we and our affiliates received no revenue during 2022 from selling or leasing products and services directly to franchisees. While we have created standards and specifications for the development of your franchised business, we have not designated any vendors and suppliers for any products or services other than the above-mentioned equipment, inventory and supplies.

Approval Criteria for Non-Approved Goods & Services

If you would like to use any goods or services in establishing and operating the franchised business that we have not approved (for goods and services that must meet our standards, specifications or that require supplier approval), you must first send us sufficient information, specifications and samples for us to determine whether the goods or services comply with our standards and specifications or the supplier meets our approved supplier criteria. You must pay our expenses to evaluate goods, services or suppliers.

We will decide within a reasonable time (usually 30 days) after receiving the required information whether you may purchase or lease the goods or services or from the supplier. Our criteria for approving or revoking approval of suppliers includes: the supplier's ability to provide sufficient quantity of goods; quality of goods or services at competitive prices; production and delivery capability; and dependability and general reputation.

Periodically, we may review our approval of any goods, services or suppliers. We will notify you in writing if we revoke our approval of goods, services or suppliers, and you must immediately stop purchasing disapproved goods or services, or must immediately stop purchasing from a disapproved supplier. Additionally, we may negotiate pricing arrangements, including volume discounts on behalf of our franchisees with our suppliers. Volume discounts may not be available to all franchisees. We and our affiliates have the right to receive payments from suppliers on account of their actual or prospective dealings with us, our affiliates, you, and other franchisees and to use all amounts received without restriction for any purposes we and our affiliates deem appropriate (unless we and our affiliates agree otherwise with the supplier). Presently, there are no purchase or supply agreements in effect and no purchasing or distribution cooperatives that you must join.

Gift Card and Similar Programs

We may require you to issue and honor/redeem gift certificates, coupons, and gift, loyalty, and affinity cards for Sloan's businesses and participate in, and comply with the requirements of, our gift card and other customer loyalty, affinity, and similar programs.

Percentage of Your Costs Due to our Standards & Specifications

We estimate that approximately 65% to 75% of your expenditures for leases and purchases in establishing your franchised business will be for goods and services that must be purchased from our affiliate or an approved supplier or according to our standards and specifications. We estimate that approximately 75% to 85% of your expenditures on an ongoing basis will be for goods and services that must be purchased from either our affiliate, an approved supplier or according to our standards and specifications. We and our affiliates currently do not receive any payments from suppliers on account of their actual or prospective dealings with you (although we have the right to do so, as noted above).

We do not provide material benefits to you (including renewal rights or the right to additional franchises) based on whether you purchase through the sources we designate or approve. We have no purchasing or distribution cooperatives serving our franchise System.

Development Agreement

You are not required to purchase any additional goods or services.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in the Franchise Agreement (FA) or Development Agreement (DA)	Disclosure document item
a. Site selection and acquisition/lease	FA: Section 5 DA: Not Applicable	Item 11
b. Pre-opening purchase/leases	FA: Sections 5, 12 and 15 DA: Not Applicable	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	FA: Sections 5 and 8 DA: Not Applicable	Items 5, 7, 8 and 11
d. Initial and ongoing training	FA: Section 8 DA: Not Applicable	Items 5, 6, 8 and 11
e. Opening	FA: Sections 5 and 8 DA: Section 4	Items 7, 8 and 11
f. Fees	FA: Sections 3, 5, 8, 10, 11, 13, 15, 18 and 22 DA: Sections 3 and 7	Items 5, 6 and 7
g. Compliance with standards and policies/operating manual	FA: Sections 6, 7, 9, 10 and 13 DA: Not Applicable	Items 8, 11 and 14
h. Trademarks and proprietary information	FA: Sections 6, 7 and 9 DA: Section 6	Items 13 and 14
i. Restrictions on products/services offered	FA: Sections 5, 6 and 13 DA: Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA: Section 13 DA: Not Applicable	Item 8
k. Territorial development and sales quotas	FA: Not Applicable DA: Sections 2 and 4 and Exhibit 1	Item 12
l. Ongoing product/service purchases	FA: Section 13 DA: Not Applicable	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	FA: Sections 5, 10 and 13 DA: Not Applicable	Items 6, 7 and 8
n. Insurance	FA: Section 15 DA: Not Applicable	Items 6, 7 and 8
o. Advertising	FA: Section 11 DA: Not Applicable	Items 6, 7, 8 and 11
p. Indemnification	FA: Section 21 DA: Section 11	Items 6 and 8

Obligation	Section in the Franchise Agreement (FA) or Development Agreement (DA)	Disclosure document item
q. Owner's participation/management/staffing	FA: Section 13 DA: Section 4	Items 15
r. Records and reports	FA: Section 12 DA: Not Applicable	Item 11
s. Inspections and audits	FA: Sections 6 and 12 DA: Not Applicable	Items 6 and 11
t. Transfer	FA: Section 18 and Exhibits 1, 6 DA: Section 7	Items 6 and 17
u. Renewal	FA: Section 4 and Exhibits 1, 6 DA: Section 5	Item 17
v. Post-termination obligations	FA: Section 17, 21 and Exhibits 2 and 6 DA: Section 9 and Exhibit D	Item 17
w. Non-competition covenants	FA: Sections 7 and 17 and Exhibits 2 and 3 DA: Section 9 and Exhibit 2	Item 17
x. Dispute resolution	FA: Section 23 DA: Section 13	Items 6 and 17

Item 10
FINANCING

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

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

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

A. Before you open your franchised business, we will:

1. if we have not already approved a site for the franchised business before signing the Franchise Agreement, we will designate the area in which you must locate the franchised business, provide you with our criteria for site selection and evaluate sites you propose for the location of the franchised business. (Sections 2.3 and 5.1)

2. review and approve your lease or purchase agreement for the approved site for the franchised business. (Section 5.3)

3. if you are a developer, designate your Development Territory. (Development Agreement, Section 2.1)

4. provide you with specifications for remodeling and equipping the approved location along

with a list of required supplies, equipment and improvements that you must purchase and install. (Section 5.4)

5. provide an initial training program. This training is described in detail later in this ITEM. (Section 8.1)

6. provide to you on-site assistance and guidance to assist you with any questions you may have in operating the franchised business. (Section 8.2)

7. provide to you, on loan, one copy of the Sloan's Confidential Operations Manual or provide you with access to an electronic copy of the Confidential Operations Manual. The approximate total number of pages in the Confidential Operations Manual as of the date of this Disclosure Document is 556 pages. The Table of Contents of the Confidential Operations Manual, along with number of pages devoted to each section, is included as Exhibit E to this Disclosure Document. (Section 9.1)

B. After the opening of the franchised business, we will:

1. periodically advise you and offer general guidance to you by telephone, e-mail, facsimile, newsletters and other methods. Our guidance is based on our and our affiliates' knowledge and experience. We offer you advice and guidance on a variety of business matters, including operational methods, accounting procedures, authorized services or products and marketing and sales strategies. (Section 14.1)

2. make periodic visits to the franchised business to provide you with consultation, assistance and guidance in various aspects of the operation and management of the franchised business. We may prepare written reports suggesting changes or improvements in the operations of the franchised business and detailing deficiencies that become evident as a result of a visit. If we prepare a report, we may provide you with a copy. (Section 14.2)

3. make available to you operations assistance and ongoing training as we think necessary. (Sections 8.2 and 8.5)

4. approve forms of advertising materials you will use for local advertising, grand opening advertising and cooperative advertising. (Section 11.2) Our advertising programs are described later in this ITEM.

5. provide you with modifications to the Confidential Operations Manual as they are made available to franchisees. (Section 9.2)

C. <u>Advertising and Promotion</u>

1. During your first 3 months of operation, you must spend between $2,500 and $10,000 on local advertisement and promotion of initial opening (grand opening advertising), including print or news media or direct mail advertising, dues for business organizations, event dues or other solicitation and promotional efforts. We determine the minimum amount by assessing advertising costs in your area and taking into account the time of year that you are opening. We will provide you with guidance for conducting grand opening advertising, and we will review and approve the materials you use in your grand opening advertising. (Section 11.1)

2. You must continuously promote the franchised business in the surrounding local area

surrounding the franchised business. You will pay for your ads and promotions directly, but we will provide you with general marketing guidelines and we will review and approve your advertisements. We may also require you to display, in a prominent location, signs indicating that franchises of Sloan's are currently available in other areas. We will not spend any funds on advertising your franchised business in your local area. (Section 11.2)

3. To assist in our regional and national advertising, we have developed a System- wide marketing fund, and you must contribute 1% of your weekly gross sales to the fund. (Section 11.3) We may designate a separate entity as we deem appropriate in our sole discretion to operate and administer the marketing fund. Any such entity will have all of the rights and duties described here. We will administer the marketing fund as follows:

(a) We will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. We may use print, television, radio, Internet or other media for advertisements and promotions. We do not guarantee that any particular franchisee will benefit directly or in proportion to their contribution from the placement of advertising by the marketing fund.

(b) We may use your contributions to pay, or reimburse our cost, for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce Website, social media sites and pages, mobile device applications, gift card programs (including covering any losses for such programs) and/or related strategies, hardware or software necessary to develop, implement, or maintain of the preceding; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. We will maintain your contributions in a separate account from our funds and we will not use them for any of our general operating expenses, except for our reasonable administrative costs and overhead related to the administration of the marketing fund. We will not use marketing fund contributions for the direct solicitation of franchise sales.

(c) We expect to use all contributions in the fiscal year they are made. We will use any interest or other earnings of the marketing fund before we use current contributions. We intend for the marketing fund to be perpetual, but we have the right to terminate it if necessary. We will not terminate the marketing fund until all contributions and earnings have been used for advertising and promotional purposes or we have returned your *pro rata* share.

(d) Sloan's businesses owned by us or an affiliate are not required to make similar contributions to the marketing fund as is required of franchisees.

(e) We will have an accounting of the marketing fund prepared each year and we will provide you with a copy if you request it. We may require that the annual accounting be reviewed or audited and reported on by an independent certified public accountant at the marketing fund's expense.

(f) The marketing fund is not a trust and we assume no fiduciary duty in administering the marketing fund.

D. During our fiscal year ending December 31, 2023, marketing fund expenditures were made in the following manner: 38% on media expenses, 31% on production, 11% on secret shopper services, and 20% on product donations. Except for our reasonable administrative costs, overhead related to the administration of the marketing fund and salaries of any marketing personnel that may be employed by us, we do not and will not receive compensation for providing goods or services to the fund. No marketing funds were used for solicitation of new franchisees.

1. Although we are not obligated to do so, we may create a cooperative advertising program for the benefit of all Sloan's franchises located in a particular region. We have the right to allocate any portion of the marketing fund to cooperative advertising; and collect and designate all or a portion of the local advertising for cooperative advertising. As of the date of this Disclosure Document, we have not required any contributions to the marketing fund or created a cooperative advertising program. If we create a cooperative advertising program, we will determine the geographic territory and market areas for each cooperative advertising program. You must participate in any cooperative advertising program established in your region. If cooperative advertising is implemented in a particular region, we may establish an advertising council for franchises in that region to self-administer the program. Each cooperative advertising program will be organized and governed in a form and manner, and begin operating on a date that we determine in advance. Each cooperative advertising program's purpose is, with our approval, to administer advertising programs and develop promotional materials for the area the cooperative advertising program covers. If we establish a cooperative advertising program for the geographic area in which the franchised business is located, you must sign the documents we require to become a member of the cooperative advertising program and participate in the cooperative advertising program as those documents require. If we establish a cooperative advertising program or programs with or without an advertising council, there are no limits on our right to change, dissolve or merge these program(s) and/or council(s) at any time. If we create a cooperative advertising program, we, or an advertising agency we designate will be responsible for administration of the cooperative. You agree to send us and the cooperative advertising program any reports that we require. The cooperative advertising program and its members may not use any advertising or promotional plans or materials without our prior written consent. (Section 11.4)

2. You must list the franchised business in at least one online directory listing (e.g., Google or Yelp) as we designate or approve. You must also list the telephone number for the franchised business in your local telephone directory and advertise your franchised business in the "yellow pages" category that we specify. You must place the listings together with other Sloan's franchises operating within the distribution area of the directories. (Section 11.6)

You are restricted from establishing a presence on, or marketing on the Internet without our consent. We have an Internet website at the uniform resource locator www.sloansicecream.com that provides information about the System and about Sloan's franchises. We may (but we are not required to) include at the Sloan's website an intranet Section or an interior page containing information about your franchised business. All information must be approved by us before it is posted. We retain the sole right to market on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. You may be requested to provide content for our Internet marketing and you must follow our intranet and Internet usage rules, policies and requirements. We retain the sole right to use the Marks on the Internet, including on websites, as domain names, directory addresses, search terms and meta-tags, and in connection with linking, marketing, co-branding and other arrangements. We retain the sole right to approve any linking to, or other use of, the Sloan's website. (Section 11.5)

A. Computer/Point-of-Sale System

You must purchase and use any hardware and software programs we designate. (Section 12.5) Presently, we require you to purchase the following hardware and software:

Hardware
Desktop or Laptop running current Microsoft Office Software
Software
Toast POS System QuickBooks

The approximate cost of the hardware and software ranges from $4,000 to $8,000.

When you purchase the point-of-sale ("POS") system, you also must make ongoing payments to suppliers for access to the POS software and back-end services based on the number of terminals you purchase. The cost of the access to the POS software and back-end services is approximately $3,000 per year for a 3 terminal installation.

We may periodically require you to update or upgrade computer hardware and software, if we believe it is necessary. We may introduce new requirements for computer and POS systems or modify our specifications and requirements. There are no limits on our rights to do so. We have the right to independently access all information (including sales and inventory information) generated by your computer and POS systems at any time without first notifying you. (Sections 10.2, 12.5 and 12.7)

B. Methods Used to Select the Location of the Franchised Business

If you have a potential site for the franchised business, you may propose the location for our consideration. We may consent to the site after we have evaluated it. If you do not have a proposed site, we will designate a geographic area in which you must locate the franchised business and we will furnish you with our general site selection criteria. You are solely responsible for locating and obtaining a site that meets our standards and criteria and that is acceptable to us. (Sections 2.3 and 5.1)

The general site selection and evaluation criteria or factors that we consider in approving your site includes the condition of the premises, demographics of the surrounding area, proximity to other Sloan's businesses, proximity to competitive businesses, lease requirements, traffic patterns, visibility, vehicular and pedestrian access, proximity to major roads, available parking and overall suitability. We will provide you with written notice of our approval or disapproval of any proposed site within a reasonable time (usually 30 days) after receiving all requested information. If we cannot agree with you on a suitable site for the franchised business within 120 days after you sign the Franchise Agreement, we may terminate the Franchise Agreement. (Sections 5.1 and 5.2)

If you are a Developer, you must locate each of your franchised businesses in the Development Territory, and for each, you must propose the specific sites for our consideration, according to the process above. (Development Agreement, Section 2.1)

C. Typical Length of Time Before Operation

We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of the franchise is 240 days. Factors that may affect your beginning operations include ability to secure permits, zoning and local ordinances, weather conditions and delays in installation of equipment and fixtures. You must open your franchised business and be operational within 365 days after signing the Franchise Agreement. If you fail to do so, we have the right to terminate your Franchise Agreement. (Sections 5.4 and 5.6)

E. Training

We provide you an initial training program that covers material aspects of the operation of the franchised business. The topics covered are listed in the chart below. This training is conducted at our headquarters in West Palm Beach, Florida, or another location we designate. We offer our initial training program whenever a new franchise location is projected to be opening. You must designate a manager for the franchised business and he or she must complete the initial training to our satisfaction approximately 3 months before the opening of the franchised business. One assistant of your choosing may also attend at your option. We expect that your attendees will advance through the training program at different rates depending on a variety of factors, including background and experience. The time frames provided in the chart are an estimate of the time it will take to complete training. We do not charge for initial training. You must pay for all travel costs and living expenses for yourself and any of your attendees. You are responsible for training your own employees and other management personnel. This initial training is in addition to the on-site opening assistance we provide to you. Your franchised business must at all times be under the day-to-day supervision of a designated manager who has completed our training program to our satisfaction. If you replace your designated manager, your new designated manager must attend our training and complete the program to our satisfaction. After a replacement of the designated manager, he or she has 60 days to complete initial training. You are not charged any fee to have a new designated manager attend our training program, unless your manager changes are excessive or caused by poor hiring practices. You must pay all travel costs and living expenses for a new designated manager's attendance. (Section 8)

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Orientation/Safety/Observation Philosophy of Sloan's Ice Cream Overview of operations Policies Appearance and attitude Personal Hygiene	4	4	Corporate Branch, West Palm Beach, Florida State SafeServ Class
Product Handling Receiving Storage/rotation Product production Timing Presentation Portion Control/Waste Prevention	4	12	Corporate Branch, West Palm Beach, Florida State SafeServ Class
Customer Service Proactive Service / personal touch Service Recovery, phone procedures	2	10	Corporate Branch, West Palm Beach, Florida
Facilities Management	2	10	Corporate Branch, West Palm Beach, Florida
Emergency Procedures	1	4	Corporate Branch, West Palm Beach, Florida
Security Money handling Employee/Store Security	1	2	Corporate Branch, West Palm Beach, Florida

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Cleaning	2	8	Corporate Branch, West Palm Beach, Florida
Maximizing Sales / Profitability Grand opening, customer retention, profitability Neighborhood marketing, advertising Merchandising	4	8	Corporate Branch, West Palm Beach, Florida
Controls Efficient service controls POS Training Day end digital paperwork Ordering product Weekly inventory Goal setting / Budgeting	8	8	Corporate Branch, West Palm Beach, Florida
Environment	1	3	Corporate Branch, West Palm Beach, Florida
Operational Readiness	4	4	Corporate Branch, West Palm Beach, Florida
Financial Systems/Accounting (uniform system of general training)	6	2	Corporate Branch, West Palm Beach, Florida
Electronic Communication Training	4	4	Corporate Branch, West Palm Beach, Florida
Review	8	8	Corporate Branch, West Palm Beach, Florida
Real Day – Running Actual Business Day	51	24	Corporate Branch, West Palm Beach, Florida
TOTALS:			

The training chart above is a summary of the initial training program. We provide more detail about the initial training program in the Confidential Operations Manual. Training will be conducted by Mr. Sloan Kamenstein. Mr. Kamenstein's qualifications are as follows:

Mr. Kamenstein is our President and also President of our affiliates. Mr. Kamenstein has over 20 years of experience in the operation of a Sloan's business.

If circumstances require, a substitute trainer may provide training to you. We may periodically name additional trainers if the training schedule requires it. Any substitute or additional trainer that we use will be trained by us and be required to have a minimum of 3 months experience with our System. There are no limits on our right to assign a substitute trainer to provide training.

The initial training will include the following instructional materials: written training manual and the Confidential Operations Manual. The training will occur at our headquarters in West Palm Beach, Florida and your approved location. The dates and location of the training will be communicated to you in the Confidential Operations Manual.

Periodically, you, your managers or employees must attend refresher-training programs to be conducted at our headquarters or another location we designate. Attendance at these programs will be at your expense.

Item 12
TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. The area that you receive (called an "area of primary responsibility" or "area") will be described and depicted in a map attached to the Franchise Agreement. We determine the area based on areas with a minimum population number of 30,000 individuals, but this number may change based on our sole and absolute discretion should we determine that this number needs to change. We may establish other franchised or company-owned businesses that may compete with your franchised business within your area of primary responsibility. We retain the right to establish alternate channels of distribution selling similar services and products including Internet sales, catalog sales, telemarketing or their direct marketing sales identified by brands we control using our principal trademark or different trademarks. These activities may compete with your franchised business. We will not compensate you for any sales made in your area through alternate channels of distribution. You may not directly market to or solicit customers located inside another franchisee's area of primary responsibility. Unless you are advertising cooperatively with another franchisee, you may not advertise in any media primarily circulated within another franchisee's area of primary responsibility.

You will operate the franchise from one location that we approve. You must receive our written permission before relocating. If you can no longer use the location due to circumstances beyond your control or fault, including destruction of the premises, you will be allowed to relocate either permanently or temporarily. If you attempt to sell your franchised business or transfer your interest from the franchised business to a third party, we may exercise our right of first refusal to purchase your franchise on the same terms and conditions as offered by a third party. You do not receive the right to acquire additional franchises. You must meet our qualifications for new franchisees and pay a franchise fee to qualify for an additional franchise location. There are no geographic restrictions on soliciting or advertising for customers and there are no minimum sales quotas. If we request, you must combine advertising with other franchises that are located in the market targeted by the advertising.

If we approve you to offer delivery and/or catering services in connection with the franchised business, you must make accommodations for delivery and/or catering services in compliance with our standards and specifications, including limiting the delivery and/or catering services to any delivery and/or catering area we specify to you in writing. (See Item 8) Any delivery and/or catering area we specify is not exclusive and we may engage, and/or allow other franchisees and third parties to engage, in any activities we desire within the delivery and/or catering area without any restrictions (including allowing other franchisees and delivery and/or catering service providers to provide delivery and/or catering services in the delivery and/or catering area). Any delivery and/or catering area we specify is nothing more than the geographic boundaries in which you may deliver and/or cater those items approved for delivery and/or catering from the franchised business, and no other rights are granted to you.

Development Agreement

We will grant you a Development Territory. The Development Territory will vary in size depending on factors including, the number of Sloan's businesses you intend to develop and the population density and demographics of the area under consideration. We will not establish other franchised or company-owned businesses in your Development Territory. You must open a set number of franchises. Each franchise must be opened within a set time frame. The number of franchises and the opening schedule are decided before we sign a Development Agreement with you.

For one year after the Development Agreement expires, we give you a right of refusal to develop additional Sloan's businesses.

Item 13
TRADEMARKS

You receive the right to operate your franchised business under the trademark "SLOAN'S," which is the principal trademark used to identify our System. You may also use any other current or future Marks to operate your franchised business that we designate in writing, including the logo on the cover of this Disclosure Document. By "Mark," we mean any trade name, trademark, service mark or logo used to identify your franchised business. You may not use any trade name, trademark, service mark or logo that we have not designated to identify your franchised business. Our affiliate has registered the Marks below on the Principal Register of the U.S. Patent and Trademark Office ("USPTO"). These are not necessarily all of the Marks that we or our affiliate own or would permit you to use.

Trademark	Registration Number	Registration Date
SLOAN'S (Standard Character Mark)	3666434	August 11, 2009
(Design plus words, letters and/or numbers)	4098741	February 14, 2012
INDULGENCE IS SWEET (Standard character mark)	4463736	January 7, 2014

All required affidavits have been filed for the registration(s) listed above. Our affiliate has granted us an exclusive license to use and sublicense the Marks; the license is for a term of 10 years and will automatically renew for subsequent 10 year periods if we are not in default. The trademark license may be terminated if we become insolvent, we misuse the Marks or we commit any breach of which is not cured as provided therein. Other than the license from our affiliate, there are no agreements currently in effect that significantly limit our rights to use or to license the Marks in any manner material to the franchise.

We know of no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court, state or federal, involving the Marks. We know of no pending infringement, opposition or cancellation proceeding. We know of no pending material federal or state court litigation regarding our use or ownership of the Marks.

Other than above, there are no agreements currently in effect that significantly limit our rights to use or license the use of the Mark in any manner material to the franchise.

We know of no infringing or prior superior uses that could materially affect the use of the Mark in the State of Florida or any other state in which the franchised business is to be located.

You do not receive any rights to the Mark other than the nonexclusive right to use it in the operation of your franchised business. You must follow our rules when you use the Mark. You must use the Mark as the sole trade identification of the franchised business. You cannot use our name or Mark as part of a corporate name. You may not use a name or Mark with modifying words, designs or symbols except for those which we license to you. You may not use any Mark in connection with the sale of any unauthorized services or products, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law. Any unauthorized use of the Mark by you is a breach of the Franchise Agreement and an infringement of our rights in the Mark. You must not contest the validity or ownership of the Mark, including any Marks that we license to you after you sign the Franchise Agreement. You must not assist any other person in contesting the validity or ownership of the Marks.

You must immediately notify us when you learn about an infringement of, or challenge to your use of, any Mark, or any claim by any person of any rights in any Marks, and you must not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so, however, you may communicate with your own counsel at your own expense. We will take the action we think appropriate in these situations; we have exclusive control over any settlement or proceeding concerning any Mark. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks.

While we are not required to defend you against a claim arising from your use of our Marks, we will reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to the proceeding. We have the right to control the defense and settlement of any proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel and for expenses in removing signage or discontinuing your use of any Mark. We will not reimburse you for disputes where we challenge your use of a Mark.

If we require, you must modify or discontinue the use of any Mark and use other trademarks or service marks we designate. We do not have to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. If we adopt and use new or modified Marks, you must add or replace equipment, signs, supplies and fixtures, and you must make other modifications we designate as necessary to adapt your franchised business for the new or modified Marks. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

You must not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any of our Marks.

You may not advertise on the Internet using, or establish, create or operate an Internet site or website using any domain name containing, the word "Sloan's" or any variation of "Sloan's" without our prior written consent.

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the franchise. We have no pending patent applications that are material to the franchise. We own copyrights in the Confidential Operations Manual, our website, our marketing materials and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Register of Copyrights. You may use these items only as we specify while operating the franchised business and you must stop using them if we direct you to do so.

We know of no effective determinations of the U.S. Copyright Office or any court regarding any of our copyrighted materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

We have developed certain trade secrets and other confidential information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a Sloan's business. We will provide our trade secrets and other confidential information to you during training, in the Confidential Operations Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the trade secrets and other confidential information for the purpose of operating your franchised business. You may only divulge trade secrets and other confidential information to employees who must have access to it to operate the franchised business. You are responsible for enforcing the confidentiality provisions as to your employees.

Certain individuals with access to our trade secrets or other confidential information, including your shareholders (and members of their immediate families and households), officers, directors, partners, members, if you are a corporation, limited liability company or other business entity, and your managers, executives, employees and staff are required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreements attached as Exhibits 2 and 3 to the Franchise Agreement.

All ideas, concepts, techniques or materials concerning the franchised business and/or the System, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be our sole and exclusive property and a part of the System that we may choose to adopt and/or disclose to other franchisees, and you agree to assign to us all right, title and interest in any intellectual property so developed. Likewise, we will disclose to you concepts and developments of other franchisees that we make part of the System. You must also assist us in obtaining intellectual property rights in any concept or development if requested.

Your use of the Confidential Operations Manual, trade secrets or other confidential information in an unauthorized manner is a default of the Franchise Agreement that may result in automatic termination of the Franchise Agreement.

Item 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The franchised business must always be under the direct, full-time, day-to-day supervision of a designated manager.

If you are an individual, we may require you to be the designated manager of the franchise. If we require you to be the designated manager, you must request our consent to select another individual to replace you as the designated manager. If you are a corporation or other business entity, you will select a designated manager for the franchise and we may require that the individual you select is an owner of the franchise. The designated manager must attend and satisfactorily complete our initial training program before opening the franchised business. You must keep us informed at all times of the identity of your designated manager. If you must replace the designated manager, your replacement must attend and satisfactorily complete our initial training program.

Certain individuals associated with your franchised business, including your owners (and members of their immediate families and households), officers, directors, partners, and your managers, executives, employees and staff are required to sign nondisclosure and non-competition agreements the same as or similar to the Nondisclosure and Non-Competition Agreements attached as Exhibits 2 and 3 to the Franchise Agreement.

If you are a corporation or other business entity, anyone who owns a 5% or greater interest in the entity must personally guarantee the performance of all of your obligations under the Franchise Agreement and agree to be personally liable for your breach of the Franchise Agreement by signing the Unlimited Guaranty and Assumption of Obligations attached to the Franchise Agreement.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer the products and services we specify. You may not sell any products or services that we have not authorized and you must discontinue offering any products or services that we may disapprove. We may take action, including terminating your franchise if you purchase or sell unapproved products or make purchases from unapproved suppliers. We may periodically change required or authorized products or services, and there are no limits on our right to do so.

Periodically, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based on factors, including test marketing, your qualifications, and regional or local differences.

We do not place restrictions on you with respect to who may be a customer of your franchised business.

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.

Franchise Agreement

Provision	Section in Franchise or Other Agreement	Summary
a. Length of franchise term	Section 4.1	The initial term is 5 years.
b. Renewal or extension of the term	Section 4.2	You may renew for 3 successive terms of 5 years each. If you fail to meet any one of the conditions in (c) below, we may refuse to renew or extend the terms of your Franchise Agreement.
c. Requirements for franchisee to renew or extend	Section 4.2 and Exhibit 6	You may renew the then-current Franchise Agreement if you: have fully complied with the provisions of the Franchise Agreement; have the right to maintain possession of the approved location or an approved substitute location for the term of the renewal; have made capital expenditures as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us; are not in default of any provision of the Franchise Agreement or any other agreement with us; have given timely written notice of your intent to renew; sign a current Franchise Agreement, which may have materially different terms and conditions than your original Franchise Agreement; comply with current training requirements; and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement.
d. Termination by franchisee	Section 16.1	You may terminate the Franchise Agreement if you are in compliance with it and we materially breach it and we fail to begin to cure our breach within 90 days of receiving your written notice.
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	Section 16.2	We may terminate the Franchise Agreement only if you default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.

g. "Cause" defined- curable defaults	Section 16.2	If a default arises from your failure to comply with a mandatory specification in the Franchise Agreement or Confidential Operations Manual, you can avoid termination of the Franchise Agreement if you cure the default within 30 days of receiving our notice of default, except for the defaults below that require cure in a shorter time and non-curable defaults in (h) below. If a default arises from your failure to maintain insurance, you can avoid termination of the Franchise Agreement if you cure the default within 10 days of receiving our notice of your failure to maintain insurance. If a default arises from your failure to make payments due to us, you can avoid termination of the Franchise Agreement if you cure the default within 5 days of receiving our notice of default. If a default arises from your failure to make payments due to a supplier unaffiliated with us (other than payments which are subject to bona fide dispute), you can avoid termination of the Franchise Agreement if you cure the default within 30 days of receiving our notice of default. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.
h. "Cause" defined- non-curable defaults	Section 16.2 and Exhibit 6	We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if you: fail to timely select an approved site for or establish, equip and begin operations of the franchised business; fail to sign a lease or binding agreement to purchase the approved location within 30 days after its designation; fail to have your designated manager satisfactorily complete training; made a material misrepresentation or omission in the application for the franchise; after notice to cure, fail to refrain from activities, behavior or conduct likely to adversely affect the reputation of either party or the franchised business; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party or the franchised business; use the Confidential Operations Manual, trade secrets or other confidential information in an unauthorized manner; if required, fail to have your owners (and members of their immediate families and households), officers, directors, managers, executives, employees and professional staff,

		and other individuals having access to trade secrets or other confidential information sign nondisclosure and non-competition agreements or, fail to provide us with copies of all executed nondisclosure and non-competition agreements; abandon the franchised business for 3 or more consecutive days; surrender or transfer control of the franchised business in an unauthorized manner; fail to maintain the franchised business under the supervision of a designated manager following your death or disability; submit reports on 2 or more separate occasions understating any amounts due by more than 3%; are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors; misuse or make unauthorized use of the Marks; fail on 2 or more occasions within any 12 months to submit reports or records or to pay any fees due us or any affiliate; violate on 2 or more occasions, any health, safety or other laws or operate the franchised business in a manner creating a health or safety hazard to customers, employees or the public; take any action reserved to us; fail to comply with applicable law after notice; fail to immediately take action to rectify any health or safety hazard; breach the Franchise Agreement or fail to comply with specifications on 2 or more occasions within any 12 months; or default under any other agreement with us (or an affiliate) so that we (or the affiliate) have the right to terminate the agreement.
i. Franchisee's obligations on termination/non-renewal	Section 17.1	If the Franchise Agreement is terminated or not renewed, you must: stop operating the franchised business; stop using any trade secrets, confidential information, the System and the Marks; if requested, assign your interest in the franchise location to us; cancel or assign to us any assumed names; pay all sums owed to us including damages and costs incurred in enforcing the Franchise Agreement; return the Confidential Operations Manual, trade secrets and all other confidential information; assign your telephone and facsimile numbers to us; comply with the covenants not to compete and any other surviving provisions of the Franchise Agreement.

j. Assignment of contract by franchisor	Section 18.1	There are no restrictions on our right to assign our interest in the Franchise Agreement.
k. "Transfer" by franchisee-definition	Section 18.2	"Transfer" includes transfer of an interest in the franchise, the Franchise Agreement, the franchise location or the franchised business's assets.
l. Franchisor's approval of transfer by franchisee	Section 18.2	You may not transfer your interest in any of the items listed in (k) above without our prior written consent.
m. Conditions for franchisor approval of transfer	Section 18.2 and Exhibit 6	We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective transferee meets our business and financial standards; the transferee and all persons owning any interest in the transferee sign the then current Franchise Agreement; you provide us with a copy of all contracts and agreements related to the transfer; you or the transferee pay a transfer fee of $10,000; the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Franchise Agreement; you have agreed to guarantee performance by the transferee, if requested by us; the transferee has obtained all necessary consents and approvals of third parties; you or all of your equity owners have signed a non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3 to the Franchise Agreement; the transferee has agreed that its designated manager will complete the initial training program before assuming management of the franchised business; and the transferee has obtained all necessary types of insurance.
n. Franchisor's right of first refusal to acquire franchisee's franchised business	Section 19	We may match an offer for your franchised business or an ownership interest you propose to sell.
o. Franchisor's option to purchase franchisee's franchised business	Section 17.4	Except as described in (n) above, we do not have the right to purchase your franchised business; however, during the 30-day period after the termination or expiration of the Franchise Agreement, we have the right to purchase any assets of the franchised business for fair market value.

p. Death or disability of franchisee	Section 18.6	After the death or incapacity of an owner of the franchise, his or her representative must transfer, subject to the terms of the Franchise Agreement, the individual's interest in the franchise within 180 days of death or incapacity or we may terminate the Franchise Agreement.
q. Non-competition covenants during the term of the franchise	Section 7.3	You, your owners (and members of their families and households) and your officers, directors, executives, managers, professional staff and management level employees are prohibited from: attempting to divert any business or customer of the franchised business to a competitive business or causing injury or prejudice to the Marks or the System; owning or working for a competitive business.
r. Non-competition covenants after the franchise is terminated or expires	Section 17.2 and Exhibit 6	For 2 years after the termination or expiration of the Franchise Agreement, you, your owners (and members of their families and households) and your officers, directors, executives, managers or professional staff are prohibited from owning or working for a competitive business operating within 25 miles of the franchise location or within the area of primary responsibility (whichever is greater), or within 25 miles of any other Sloan's business.
s. Modification of the agreement	Sections 9.2, 22.7 and 22.8	The Franchise Agreement can be modified only by written agreement between you and us. We may modify the Confidential Operations Manual without your consent if the modification does not materially alter your fundamental rights.
t. Integration/merger clause	Section 22.7 and Exhibit 6	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 23.7 and Exhibit 6	We and you must arbitrate all disputes in Palm Beach County, Florida.
v. Choice of forum	Section 23.2 and Exhibit 6	Subject to state law, any litigation must be pursued in courts located in Palm Beach County, Florida.

<u>Development Agreement</u>

Provision	Section In Development Agreement	Summary
a. Length of the development rights term	Section 5.1	The term expires on the last opening date on the schedule for development of the franchises.
b. Renewal or extension of the term	Section 5.2	You may not renew, but you do have a right of refusal to open additional franchises in the Development Territory during the year after the Development Agreement expires.
c. Requirements for developer to renew or extend	Not Applicable	Not Applicable
d. Termination by developer	Not Applicable	Not Applicable
e. Termination by franchisor without cause	Not Applicable	Not Applicable
f. Termination by franchisor with cause	Section 8	We may terminate the Development Agreement only if you default.
g. "Cause" defined-curable defaults	Section 8.2	You can avoid termination of the Development Agreement if you cure a default arising from your failure to comply with mandatory specifications in the Development Agreement within 30 days of receiving our notice of termination.
h. "Cause" defined-non-curable defaults	Section 8.1	We have the right to terminate the Development Agreement without giving you an opportunity to cure if you: transfer control of Development Agreement or transfer an interest in your business entity in an unauthorized manner; made a material misrepresentation or omission in the application for development rights; are convicted of or plead no contest to a felony or other crime or offense likely to affect the goodwill associated with the Marks; misuse or make unauthorized use of the Marks; terminate any franchise agreement with or without cause; fail to meet the timing requirements and deadlines contained in the schedule for development of the franchises; or fail to comply with any provision of the Development Agreement after notice of non-compliance.
i. Developer's obligations on	Section 9	If the Development Agreement is terminated or not renewed, you must: stop using any

termination/non-renewal		trade secrets and other confidential information; pay all sums owed to us; and comply with the covenants not to compete and any other surviving provisions of the Development Agreement.
j. Assignment of contract by franchisor	Section 7.1	There are no restrictions on our right to assign our interest in the Development Agreement.
k. "Transfer" by developer-definition	Section 7.2	"Transfer" includes transfer of ownership in the development rights, the Development Agreement, or the developer entity.
l. Franchisor's approval of transfer by developer	Section 7.2	You may not transfer your interest in any of the items listed in (k) above without our prior written consent.
m. Conditions for franchisor's approval of transfer	Section 7.2	We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the transferee have signed a general release, in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective transferee meets our business and financial standards; you provide us with a copy of all contracts and agreements related to the transfer; you or the transferee pay a transfer fee of $10,000; the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Development Agreement; the transferee has obtained all necessary consents and approvals of third parties; and you or all of your equity owners have signed a non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3 to the Franchise Agreement.
n. Franchisor's right of first refusal to acquire developer's development rights	Section 7.5	We may match an offer for your development rights or an ownership interest you propose to sell.
o. Franchisor option to purchase developer's development rights	Not Applicable	Not Applicable
p. Death or disability of developer	Not Applicable	Not Applicable
q. Non-competition covenants during the term of the Development Agreement	Not Applicable	Not Applicable

r. Non-competition covenants after the Development Agreement is terminated or expires	Section 9.4	The Development Agreement incorporates by reference the post-term non-competition covenants of the Franchise Agreement.
s. Modification of the agreement	Section 12.8	The Development Agreement can be modified only by written agreement between you and us.
t. Integration/merger clause	Sections 12.1 and 12.8	Only the terms of the Development Agreement are binding (subject to state law), although if there is a conflict between the Development Agreement and any Franchise Agreement, the terms of the Franchise Agreement control. Any representations or promises outside of the Disclosure Document, Development Agreement or Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 13.7	We and you must arbitrate all disputes in Palm Beach County, Florida.
v. Choice of forum	Section 13.2	Subject to state law, any litigation must be pursued in courts located in Palm Beach County, Florida.
w. Choice of law	Section 13.1	Subject to state law, Florida law applies, except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.) and disputes over copyrights will be governed by federal copyright laws of the United States.

For additional disclosures required by certain states, refer to Exhibit G - State Addenda to Disclosure Document.

Item 18
PUBLIC FIGURES

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

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

As of the Effective Date of this disclosure document, we have 5 company-owned Sloan's businesses and 4 franchised Sloan's businesses within the United States. Of these 9 Sloan's businesses, 6 are "Traditional" Sloan's businesses and 3 are "Express" Sloan's businesses. The franchised Sloan's businesses are located in Florida and there are 2 "Traditional" Sloan's businesses and 2 "Express" Sloan's business. The company-owned Sloan's businesses are located in California (1 "Traditional" Sloan's business), Florida (2 "Traditional" Sloan's businesses and 1 "Express" Sloan's businesses), and Nevada (1 "Traditional" Sloan's business).

Table I below provides averages of the following categories of historical information for the fiscal year 2023 for all "Traditional" Sloan's businesses (both corporate-owned and franchisee-owned): (1) Gross Sales; (2) Cost of Goods; (3) Cost of Labor; (4) Gross Profit.

"TRADITIONAL" SLOAN'S BUSINESSES 2023 (COMPANY and FRANCHISEE OWNED)					
	Average/%	**Number and % that attained or surpassed**	**Median**	**Highest Grossing Store**	**Lowest Grossing Store**
Gross Sales	**$1,500,524**	**2 or 33%**	**$1,288,898**	**$2,206,757**	**$1,064,729**
Cost of Goods (*Percentage of Gross Sales*)	**$462,483** *(30.82%)*	**2 or 33%**	**$396,184** **(30.74%)**	**$691,588**	**$348,517**
Cost of Labor (*Percentage of Gross Sales*)	**$304,598** **(20.33%)**	**3 or 50%**	**$288,521** **(22.39%)**	**$398,860**	**$236,100**
Sales Minus COGS and Labor (*Percentage of Gross Sales*)	**$733,433** **(48.88%)**	**3 or 50%**	**$623,308** **(48.36%)**	**$1,116,309**	**$480,102**

Table II below provides averages of the following categories of historical information for the fiscal year 2023 for all “Express” Sloan’s businesses (both corporate-owned and franchisee-owned): (1) Gross Sales; (2) Cost of Goods; (3) Cost of Labor; (4) Gross Profit.

“EXPRESS” SLOAN’S BUSINESSES 2023 (COMPANY and FRANCHISEE OWNED)					
	Average/%	**Number and % that attained or surpassed**	**Median**	**Highest Grossing Store**	**Lowest Grossing Store**
Gross Sales	**$1,128,982**	**2 or 66%**	**$1,164,389**	**$1,248,393**	**$974,166**
Cost of Goods (*Percentage of Gross Sales*)	**$356,235** ***(31.55%)***	**2 or 66%**	**$380,298** ***(32.66%)***	**$380,298**	**$283,866**
Cost of Labor (*Percentage of Gross Sales*)	**$213,248** ***(18.89%)***	**1 or 33%**	**$216,420** ***(18.59%)***	**$216,420**	**$194,162**
Sales Minus COGS and Labor (*Percentage of Gross Sales*)	**$559,500** ***(49.56%)***	**2 or 66%**	**$530,686** ***(45.58%)***	**$651,675**	**$496,137**

Table III below provides averages of the following categories of historical information for the fiscal year 2023 for “Traditional” Sloan’s company-owned businesses: (1) Gross Sales; (2) Cost of Goods; (3) Cost of Labor; (4) Gross Profit.

“TRADITIONAL” CORPORATE-OWNED SLOAN’S BUSINESSES 2023					
	Average/%	**Number and % that attained or surpassed**	**Median**	**Highest Grossing Store**	**Lowest Grossing Store**
Gross Sales	**$1,632,709**	**2 or 50%**	**$1,598,518**	**$2,206,757**	**$1,127,044**
Cost of Goods (*Percentage of Gross Sales*)	**$496,647** *(30.82%)*	**2 or 50%**	**$486,912** ***(30.46%)***	**$691,588**	**$317,176**
Cost of Labor (*Percentage of Gross Sales*)	**$319,394** ***(20.30%)***	**3 or 75%**	**$330,999** ***(20.71%)***	**$398,860**	**$213,078**
Sales Minus COGS and Labor (*Percentage of Gross Sales*)	**$817,667** ***(48.88%)***	**2 or 50%**	**$780,606** ***(48.83%)***	**$1,116,309**	**$596,790**

Table IV below provides averages of the following categories of historical information for the fiscal year 2023 for “Express” Sloan’s businesses that were owned by franchisees: (1) Gross Sales; (2) Cost of Goods; (3) Cost of Labor; (4) Gross Profit.

“TRADITIONAL” FRANCHISEE-OWNED SLOAN’S BUSINESSES 2023					
	Average/%	**Number and % that attained or surpassed**	**Median**	**Highest Grossing Store**	**Lowest Grossing Store**
Gross Sales	**$1,236,153**	**1 or 50%**	**$1,407,577**	**$1,334,075**	**$1,064,729**
Cost of Goods (*Percentage of Gross Sales*)	**$396,183** ***(32.05%)***	**1 or 50%**	**$396,183** ***(32.05%)***	**$443,850**	**$348,517**
Cost of Labor (*Percentage of Gross Sales*)	**$275,006** ***(22.25%)***	**1 or 50%**	**$275,006** ***(22.25%)***	**$313,902**	**$236,110**
Sales Minus COGS and Labor (*Percentage of Gross Sales*)	**$564,963** ***(45.70%)***	**1 or 50%**	**$564,963** ***(45.70%)***	**$649,825**	**$480,102**

Table V below provides averages of the following categories of historical information for the fiscal year 2023 for “Express” corporate-owned Sloan’s businesses: (1) Gross Sales; (2) Cost of Goods; (3) Cost of Labor; (4) Gross Profit.

“EXPRESS” CORPORATE--OWNED SLOAN’S BUSINESSES 2023					
	Average/%	**Number and % that attained or surpassed**	**Median**	**Highest Grossing Store**	**Lowest Grossing Store**
Gross Sales	**$1,248,393**	**1 or 100%**	**$1,248,393**	**$1,248,393**	**$1,248,393**
Cost of Goods (*Percentage of Gross Sales*)	**$380,298** ***(30.46%)***	**1 or 100%**	**$380,298** ***(30.46%)***	**$380,298** ***(30.46%)***	**$380,298** ***(30.46%)***
Cost of Labor (*Percentage of Gross Sales*)	**$216,420** ***(17.34%)***	**1 or 100%**	**$216,420** ***(17.34%)***	**$216,420** ***(17.34%)***	**$216,420** ***(17.34%)***
Sales Minus COGS and Labor (*Percentage of Gross Sales*)	**$651,675** ***(52.20%)***	**1 or 100%**	**$651,675** ***(52.20%)***	**$651,675** ***(52.20%)***	**$651,675** ***(52.20%)***

Table VI below provides averages of the following categories of historical information for the fiscal year 2023 for "Express" franchisee-owned Sloan's businesses: (1) Gross Sales; (2) Cost of Goods; (3) Cost of Labor; (4) Gross Profit.

"EXPRESS" FRANCHISEE-OWNED SLOAN'S BUSINESSES 2023					
	Average/%	**Number and % that attained or surpassed**	**Median**	**Highest Grossing Store**	**Lowest Grossing Store**
Gross Sales	**$1,069,277**	**1 or 50%**	**$1,069,277**	**$1,164,389**	**$974,166**
Cost of Goods (*Percentage of Gross Sales*)	**$344,203** (**32.19**%)	**1 or 50%**	**$344,203** (**32.19**%)	**$404,540**	**$283,866**
Cost of Labor (*Percentage of Gross Sales*)	**$211,662** (*19.79%*)	**1 or 50%**	**$211,662** (*19.79%*)	**$229,162**	**$194,162**
Sales Minus COGS and Labor (*Percentage of Gross Sales*)	**$513,411** (**48.01**%)	**1 or 50%**	**$513,411** (**48.01**%)	**$530,686**	**$496,137**

NOTES TO TABLES

1. As used in this Item 19, "Gross Sales" has the same definition as set forth in Section 1 of the Franchise Agreement. Specifically, "Gross Sales" means the aggregate of all revenue from the sale of products and services from all sources in connection with the Sloan's business, whether for check, cash, credit or otherwise including, without limitation, all proceeds from any business interruption insurance, but excluding (a) all refunds made in good faith, (b) any sales and equivalent taxes that are collected by you for or on behalf of any governmental taxing authority and paid thereto, (c) the value of any allowance issued or granted to any customer of the Sloan's business that is credited by you in full or partial satisfaction of the price of any products and services offered in connection with the Sloan's business, and (d) any rebate received by you from a manufacturer or supplier.

2. As used in this Item 19, "Cost of Goods" includes the delivered cost of ingredients, ice cream, various logoed paper products, candy products, baked goods, merchandise, and other miscellaneous supplies and expendables as well as distribution and freight costs. In the tables above, the cost of goods for both franchise and company-owned Sloan's businesses was calculated using the cost to franchisees for items purchased from us.

3. As used in this Item 19, "Cost of Labor" includes the cost of labor, including hourly wages for hourly employees, salaries for general and assistant managers, payroll taxes, health insurance, vacation, sick pay, bonuses and workers compensation insurance. Cost of Labor does not include any draw or salary for you.

4. As used in this Item 19, "Sales Minus COGS and Labor" means: Earnings after accounting for Cost of Goods and Cost of Labor. The "Sales Minus COGS and Labor" only accounts for the Costs of Goods and Cost of Labor, and does not account for additional operational expenses, organizational overhead and

occupancy costs which might be experienced by a Sloan's business. Operational expenses, organization overhead and occupancy costs include salaries and benefits of non-Sloan's business personnel (if any), cost of an automobile used in the business (if any), and other expenditures. You should conduct an independent investigation of the costs and expenses you will incur in operating a Sloan's business.

5. Franchised Sloan's businesses are also required to pay the Royalty and Fund contribution that Sloan's Locations do not have to pay. The Royalty is six percent (6%) of Gross Sales and the Fund contribution is one percent (1%) of Gross Sales.

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

We have not audited the information presented above, nor have we independently verified this information. Written substantiation of the data used in preparing these sales figures will be made available to you upon written request.

Other than the preceding financial performance representation, Franchisor does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mr. David Wild, 1652 Mercer Avenue, West Palm Beach, Florida 33401, and (561) 839-3000, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2021 TO 2023				
Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	2021	3	4	+1
	2022	4	4	0
	2023	4	4	0
Company-Owned*	2021	6	6	0
	2022	6	5	-1
	2023	5	5	0
Total Outlets	**2021**	**9**	**10**	**+1**
	2022	**10**	**9**	**-1**
	2023	**9**	**9**	**0**

* The 5 company-owned units refer to our affiliates' locations.

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2021 TO 2023		
State	**Year**	**Number of Transfers**
All States	2021	0
	2022	0
	2023	0
Total	**2021**	**0**
	2022	**0**
	2023	**0**

Table No. 3

STATUS OF FRANCHISE OUTLETS FOR YEARS 2021 TO 2023								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations – Other Reasons**	**Outlets at End of the Year**
Florida	2021	3	1	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
Total	**2021**	**3**	**1**	**0**	**0**	**0**	**0**	**4**
	2022	**4**	**0**	**0**	**0**	**0**	**0**	**4**
	2023	**4**	**0**	**0**	**0**	**0**	**0**	**4**

Table No. 4

STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2021 TO 2023							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired From Franchisee**	**Outlets Closed**	**Outlets Sold to Franchisee**	**Outlets at End of the Year**
California	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Florida	2021	4	0	0	0	0	4
	2022	4	0	0	1	0	3
	2023	3	0	0	0	0	3
Nevada	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
Total*	2021	6	0	0	0	0	6
	2022	6	0	0	1	0	5
	2023	5	0	0	0	0	5

Table No. 5

PROJECTED OPENINGS AS OF DECEMBER 31, 2023			
State	**Franchise Agreements Signed But Outlets Not Yet Opened**	**Projected New Franchised Outlets In The Next Fiscal Year**	**Projected New Company-Owned Outlets in the Next Fiscal Year**
California	0	0	0
Florida	0	1	0
Ohio	1	1	0
Total	1	2	0

All outlets represented in this Item 20 include “Traditional” and “Express” franchised businesses. Exhibit F lists the names of all operating franchisees and the addresses and telephone numbers of their franchised businesses as of December 31, 2023. During the fiscal year ending December 31, 2023, there were no franchisees that had an outlet terminated, canceled, transferred, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under their franchise agreement during our last fiscal year or who have not communicated with us within 10 weeks prior to the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave our franchise system.

During the last 3 fiscal years, no current or former Sloan's franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a Sloan's franchisee in our franchise system.

Currently, we have no trademark-specific franchisee organization associated with the franchise system being offered.

Item 21
FINANCIAL STATEMENTS

Exhibit D contains our audited financial statements for the years ended December 31, 2023, December 31, 2022, and December 31, 2021.

Item 22
CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

B. Franchise Agreement (with Attachments)
C. Area Development Agreement (with Attachments)
H. State Addenda to Agreements

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this Disclosure Document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

State	State Administrator	Agent for Service of Process (if different from State Administrator)
California	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 866-275-2677 www.dfpi.ca.gov Ask.DFPI@difpi.ca.gov	
Hawaii	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities P.O. Box 40 Honolulu, HI 96810 (808) 586-2722	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813
Illinois	Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	
Indiana	Franchise Section Indiana Securities Division Secretary of State Room E-111 302 W. Washington Street Indianapolis, IN 46204 (317) 232-6681	
Maryland	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Commissioner of Securities 200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 1st Floor Lansing, MI 48933 (517) 373-7117	

State	State Administrator	Agent for Service of Process (if different from State Administrator)
Minnesota	Minnesota Department of Commerce Securities-Franchise Registration 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Floor New York, NY 10005 212-416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231
North Dakota	North Dakota Securities Department 600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	
Oregon	Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, Oregon 97310 (503) 378-4140	
Rhode Island	Department of Business Regulation Securities Division 1511 Pontiac Avenue Building 68-2 Cranston, RI 02920-4407 (401) 462-9527	
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Suite 104 Pierre, SD 57501-3185 (605) 773-3563	
Virginia	State Corporation Commission 1300 East Main Street 9th Floor Richmond, VA 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Rd SW Tumwater, WA 98501 (360) 902-8760
Wisconsin	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 266-0448	Division of Securities Department of Financial Institutions 4822 Madison Yards Way Madison, WI 53705 (608) 261-7577

EXHIBIT B

FRANCHISE AGREEMENT

EXHIBITS

SLOAN'S FRANCHISE LLC

FRANCHISE AGREEMENT

This Franchise Agreement made this ______________________, is by and between Sloan's Franchise LLC, a Florida corporation, having its principal place of business at 1652 Mercer Ave., West Palm Beach, Florida 33401 ("Franchisor"), and ____, an individual/partnership/corporation/limited liability company established in the State of ______________________ and whose principal address is ____ ____ ("Franchisee").

W I T N E S S E T H:

WHEREAS, Franchisor and its Affiliate* have developed, and are in the process of further developing, a System identified by the trade name or trademark "Sloan's®" and relating to the establishment and operation of a business that offers its customers top quality ice cream, candy products, baked goods and merchandise; and

WHEREAS, in addition to the trademark "Sloan's®" and certain other Marks, the distinguishing characteristics of the System include: proprietary recipes; ice cream preparation and presentation techniques; uniform standards and procedures for efficient business operations; procedures and strategies for marketing, advertising and promotion; customer service and development techniques; distinctive interior and exterior design, layout and décor; other strategies, techniques and Trade Secrets and other Confidential Information; and the Confidential Operations Manual; and

WHEREAS, Franchisor grants to qualified persons and business entities the right to own and operate a Sloan's Business using the System and the Marks; and

WHEREAS, Franchisee desires to operate a Sloan's Business, has applied for the Franchise and such application has been approved by Franchisor in reliance upon all of the representations made herein and therein; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high and uniform standards of quality, operations and service and the necessity of operating the Franchised Business in strict conformity with Franchisor's System.

NOW, THEREFORE, Franchisor and Franchisee, intending to be legally bound, agree as follows:

1. DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

"**Affiliate(s)**" means any business entity that controls, is controlled by, or is under common control with Franchisor;

"**Agreement**" means this agreement entitled "Sloan's Franchise LLC Franchise Agreement" and all instruments supplemental hereto or in amendment or confirmation hereof;

"**Approved Location**" means the site for the operation of the Franchised Business selected by Franchisee and approved in writing by Franchisor;

"**Approved Supplier(s)**" has the meaning given to such term in Section 13.1;

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*Capitalized terms not otherwise defined are defined in Section 1.

"**Area of Primary Responsibility**" has the meaning given to such term in Section 2.5;

"**Competitive Business**" means (a) any business, that offers, provides, or sells (or grants franchises or licenses to others to operate a business that offers, provides, or sells) ice cream or other products the same as or similar to those provided by Sloan's Business, or (b) any business in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or its other franchisees. However, the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest;

"**Confidential Information**" means technical and non-technical information including, but not limited to, recipes, ingredients and processes, used in or related to Sloan's Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified or labeled as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

"**Confidential Operations Manual**" means the Sloan's Confidential Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor;

"**Cooperative Advertising**" means the combined advertising program of two (2) or more franchisees established within a common market that Franchisor may require for Sloan's Businesses within a particular region;

"Data Security Event" means any act, both actual or suspected, that initiates either internally or from outside the Business' computers, point-of-sale terminals, and other technology or networked environment and violates any laws or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the System, other Sloan's businesses, or their data or to view, copy, or use Privacy Information or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial or service; unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristics without Franchisor's knowledge, instruction, or consent.

"**Designated Area**" has the meaning given to such term in Section 2.3;

"**Designated Manager**" means the individual designated by Franchisee as having primary responsibility for managing the day-to-day affairs of the Franchised Business. If Franchisee is a legal business entity, (such as a corporation, limited liability company or other legal business entity), Franchisor may, in its sole discretion, require that the Designated Manager be an individual holder of a legal or beneficial interest in Franchisee who has at least fifteen percent (15%) of the equity in the Franchise, and if Franchisee is an individual and not a business entity, Franchisor may, in its sole discretion, require that the Designated Manager is Franchisee;

"**Effective Date**" means the date on which Franchisor and Franchisee fully execute this Agreement, thereby commencing its effectiveness and term;

"**Electronic Depository Transfer Account**" means an account established at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw any funds due Franchisor;

"**Franchise**" means the right granted to Franchisee by Franchisor to use the System and the Marks;

“**Franchise Fee**” has the meaning given to such term in Section 3.1;

“**Franchised Business**” means the Sloan’s Business to be established and operated by Franchisee pursuant to this Agreement;

“**Franchisee**” means the individual or entity defined as “Franchisee” in the introductory paragraph of this Agreement;

“**Franchisor**” means Sloan’s Franchise LLC;

“**Franchisor Indemnitees**” has the meaning given to such term in Section 21.3;

“**Generally Accepted Accounting Principles**” or “**GAAP**” means the standards, conventions and rules accountants follow in recording and summarizing transactions and in the preparation of financial statements;

“**Grand Opening Advertising**” has the meaning given to such term in Section 11.1;

“**Gross Sales**” means the aggregate of all revenue from the sale of products and services from all sources in connection with the Franchised Business, whether for check, cash, credit or otherwise including, without limitation, all proceeds from any business interruption insurance, but excluding (a) all refunds made in good faith, (b) any sales and equivalent taxes that are collected by Franchisee for or on behalf of any governmental taxing authority and paid thereto, (c) the value of any allowance issued or granted to any customer of the Franchised Business that is credited by Franchisee in full or partial satisfaction of the price of any products and services offered in connection with the Franchised Business, and (d) any rebate received by Franchisee from a manufacturer or supplier;

“**Gross Sales Reports**” has the meaning given to such term in Section 12.2;

“**Incapacity**” means the inability of Franchisee, or any holder of a legal or beneficial interest in Franchisee, to operate or oversee the operation of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation;

“**Internet**” means any one (1) or more local or global interactive communications media that is now available, or that may become available, including sites and domain names on the World Wide Web;

“**Local Advertising**” has the meaning given to such term in Section 11.2;

“**Marketing Fund**” has the meaning given to such term in Section 11.3;

“**Marketing Fund Contribution**” has the meaning given to such term in Section 11.3;

“**Marks**” means the trademark “Sloan’s®” and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with Sloan’s Businesses;

“**Privacy Information**” means all information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Privacy Information includes but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household: identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver’s license or state identification card number, passport number, signature, physical characteristics or description, telephone number, insurance policy number, bank account number, credit card number, debit card number or any other financial information, medical information or health insurance information; characteristics of protected classifications under state or federal law; commercial information, including records of personal property, products or services purchased, obtained or considered, or other purchasing or consuming histories or tendencies; biometric information; Internet or other electronic network activity information including, but not limited to, browsing history, search history, and information regarding a consumer's interaction with an internet website, application, or advertisement; geolocation data; audio or electronic information; professional or employment-related information; education information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 USC § 1232g; 34 CFR Part 99); and inferences drawn from any of the information identified in this subsection to create a profile about a consumer reflecting the consumer's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities and aptitudes. Privacy Information does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

"**Royalty Fee**" has the meaning given to such term in Section 3.2

"**Sloan's Business(es)**" means one or more businesses operating under some or all of the Marks and the System;

"**System**" means the uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of Sloan's Businesses; and

"**Trade Secrets**" means information in any form (including, but not limited to, technical or non-technical data, formulas, recipes, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in Sloan's Businesses that is not commonly known by or available to the public and that information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

2. GRANT OF FRANCHISE; APPROVED LOCATION

2.1 Grant

Franchisor hereby grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions herein contained, a revocable, limited license to operate one (1) Sloan's Business using the System and Marks.

2.2 Approved Location

The street address (or detailed description of the premises) of the Approved Location is:

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2.3 Approved Location Not Determined

If the Approved Location is determined as of the Effective Date, then this Section shall be inapplicable. If the Approved Location of the Franchised Business is not determined as of the Effective Date, then the geographic area in which the Franchised Business is to be located shall be within the geographic area described below ("Designated Area"). Franchisee shall select and submit possible sites for Franchisor's evaluation in accordance with Section 5.1. When the Approved Location is determined, its address shall be inserted into Section 2.2, shall be initialed and dated by Franchisee and Franchisor and the Designated Area shall lapse. The failure to insert such address into Section 2.2 shall not automatically affect the enforceability of this Agreement. The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. A detailed description of the geographic area or boundaries of the Designated Area is:

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2.4 Sub-franchising/Agents

Franchisee shall not sublicense the use of the System or Marks to any person or entity. Except as may be permitted pursuant to Section 18, Franchisee shall not grant any person or entity the right to perform any part of Franchisee's rights or obligations licensed hereunder.

2.5 Area of Primary Responsibility

Franchisee will not receive an exclusive territory. Franchisee shall receive a territory called the "Area of Primary Responsibility," to be mutually agreed upon by Franchisor and Franchisee, and depicted in the map in Section 2.6 below. Franchisee will operate the Franchised Business in the designated Area of Primary Responsibility and shall limit all direct marketing and advertising within such area, as stated in Section 2.8. As long as this Agreement is in full force and effect and Franchisee is not in default under any of the terms hereof, Franchisor shall not limit or alter the boundaries of Franchisee's Area of Primary Responsibility. Franchisee's rights in the Area of Primary Responsibility are subject to Franchisor's rights articulated in Section 2.7.

2.6 Map and Description of Area of Primary Responsibility

2.6.1 The Area of Primary Responsibility shall be defined by and exist within the following zip codes or other physical, political or natural boundaries:

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The map of the Area of Primary Responsibility is:

2.7 Franchisor's Rights

Franchisee acknowledges that except to the extent provided in Section 2.5 above, Franchisor expressly retains all rights and discretion with respect to the Marks and System, including the right to:

2.7.1 establish, own or operate, and license others to establish, own or operate, Sloan's Businesses inside or outside of the Area of Primary Responsibility as Franchisor deems appropriate;

2.7.2 establish, own or operate, and license others to establish, own or operate other businesses under other systems using other trademarks at locations inside and outside of the Area of Primary Responsibility;

2.7.3 purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to the Franchised Business (and/or acquire franchise, license and/or similar agreements for such businesses), some or all of which may be located anywhere, including within the Area of Primary Responsibility. If Franchisor purchases or acquires franchises or licenses, Franchisor may, in its sole discretion, act as franchisor or licensor with respect to such franchisees or licensees wherever located, pursuant to the individual franchise or license agreement(s) between Franchisor and such franchisee(s) or licensee(s). If Franchisor purchases or acquires such businesses within the Area of Primary Responsibility which are not franchised or licensed, Franchisor may, in its sole discretion:

2.7.3.1 offer to sell any such businesses to Franchisee or to any third party at the business's fair market value to be operated as a Sloan's Business; or

2.7.3.2 offer Franchisee the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name.

2.7.4 be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses Competitive Businesses within the Area of Primary Responsibility;

2.7.5 provide the services and sell the products authorized for Sloan's Businesses using the Marks or other trademarks, service marks and commercial symbols through an alternate channel of distribution on such terms and conditions as Franchisor deems appropriate; and

2.7.6 engage in any activities not expressly forbidden by this Agreement.

2.8 Marketing and Solicitation Restrictions

Franchisee shall not directly market to or solicit customers whose principal residence (or principal business office, if the customer is a business entity) is within the area of primary responsibility of another franchisee. Except as part of Cooperative Advertising implemented pursuant to Section 11.4, Franchisee shall not advertise in any media whose primary circulation is within the area of primary responsibility of another franchisee. Franchisor shall make reasonable efforts to enforce these restrictions with regard to Franchisee and any other Sloan's Businesses, but under no circumstances shall Franchisor be required to engage in litigation or similar actions with regard to these restrictions.

3. FEES

3.1 Franchise Fee

Upon execution of this Agreement, Franchisee shall pay a fee ("Franchise Fee") to Franchisor of FORTY THOUSAND DOLLARS ($40,000.00). The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is nonrefundable, except under certain conditions set forth under Sections 5.2, 5.5 and 8.3. The

Franchise Fee is payment, in part, for expenses incurred by Franchisor in furnishing assistance and services to Franchisee as set forth in this Agreement and for costs incurred by Franchisor, including general sales and marketing expenses, training, legal, accounting and other professional fees.

3.2 Weekly Royalty Fee

On Tuesday of each week for so long as this Agreement shall be in effect, Franchisee shall pay to Franchisor without offset, credit or deduction of any nature, a weekly fee ("Royalty Fee") equal to six percent (6%) of Gross Sales for the week ending the previous Sunday. Each weekly Royalty Fee shall accompany a Gross Sales Report, as required by Section 12.2, for the same period. Should Franchisor require Franchisee to pay Royalty Fees through electronic transfer as set forth in Section 3.4, then such reports shall be submitted to Franchisor via facsimile transmission, e-mail or intranet system.

3.3 Taxes

Franchisee shall pay to Franchisor an amount equal to all sales taxes, excise taxes, use taxes, withholding taxes, and similar taxes imposed on the fees payable by Franchisee to Franchisor hereunder and on goods or services furnished to Franchisee by Franchisor at the same time as Franchisee remits such fees to Franchisor, whether such goods or services are furnished by sale, lease or otherwise, unless the tax is an income tax assessed on Franchisor for doing business in the state where the Franchised Business is located.

3.4 Electronic Transfer

Franchisor has the right to require all Royalty Fees, Marketing Fund Contributions, amounts due for purchases by Franchisee from Franchisor and other amounts due to Franchisor to be paid through an Electronic Depository Transfer Account. At Franchisor's request, Franchisee shall open and maintain an Electronic Depository Transfer Account, and shall provide Franchisor with continuous access to such account for the purpose of receiving any payments due to Franchisor. Every week, Franchisee shall make deposits to the account sufficient to cover amounts owed to Franchisor prior to the date such amounts are due. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the Electronic Depository Transfer Account. Once established, Franchisee shall not close the Electronic Depository Transfer Account without Franchisor's written consent.

3.5 Late Fees

All Royalty Fees, Marketing Fund Contributions, amounts due for purchases by Franchisee from Franchisor and other amounts that are not received by Franchisor within five (5) days after the due date shall incur late fees at the rate of one and one-half percent (1.5%) per month (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower) from the date payment is due to the date payment is received by Franchisor. Franchisee shall pay Franchisor for all costs incurred by Franchisor in the collection of any unpaid and past due Royalty Fees, Marketing Fund Contributions or any other amounts due Franchisor, including reasonable accounting and legal fees. This Section shall not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee.

3.6 Application of Payments

Notwithstanding any designation by Franchisee, Franchisor shall have the right first to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Marketing Fund Contributions, purchases from Franchisor or any other amount owed to Franchisor in any proportion or priority.

4. TERM AND RENEWAL

4.1 Initial Term

This Agreement shall be effective and binding for an initial term of five (5) years from the Effective Date, unless sooner terminated pursuant to Section 16.

4.2 Successor Terms

Subject to the conditions below, Franchisee has the right to obtain a successor franchise at the expiration of the term of this Agreement by entering into a new franchise agreement with Franchisor. Franchisee's right to a successor franchise is limited to three (3) successive terms of five (5) years each, such that the total term of the Franchise shall not exceed twenty (20) years. To qualify for a successor franchise, each of the following conditions shall have been fulfilled and remain true as of the last day of the term of this Agreement:

4.2.1 Franchisee has, during the entire term of this Agreement, fully complied with all material provisions of this Agreement;

4.2.2 Franchisee has access to and, for the duration of the successor franchise, the right to remain in possession of the Approved Location, or a suitable substitute location approved by Franchisor, which is in full compliance with Franchisor's then-current specifications and standards;

4.2.3 Franchisee has, at its expense, made such capital expenditures as were necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchised Business reflects Franchisor's then-current standards and specifications;

4.2.4 Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement;

4.2.5 Franchisee is not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor;

4.2.6 Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than nine (9) months nor more than twelve (12) months prior to the end of the term of this Agreement;

4.2.7 Franchisee has executed Franchisor's then-current form of franchise agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which franchise agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee or Marketing Fund Contribution; provided, however, that Franchisee shall not be required to pay the then-current Franchise Fee;

4.2.8 Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any training requirements; and

4.2.9 Franchisee has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 1, of any and all claims against Franchisor, any Affiliate and against their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), except to the extent prohibited by the laws of the state where the Franchised Business is located.

5. APPROVED LOCATION

5.1 Selection of Site

If an Approved Location for the Franchised Business has not been determined as of the Effective Date, Franchisee shall promptly select a site for the Franchised Business and shall notify Franchisor of such selection. Franchisor shall evaluate the site and notify Franchisee of its approval or disapproval of the site within a reasonable time (usually thirty 30 days) of receiving notice of the site from Franchisee. If Franchisor approves of such selection, the site shall be designated as the Approved Location. If Franchisor does not approve of such selection, Franchisee shall select and notify Franchisor of new sites until Franchisor approves a site for the Franchised Business. Franchisor shall provide Franchisee with general guidelines to assist Franchisee in selecting a site suitable for the Approved Location. Franchisor has the right to approve or disapprove a proposed location based on such factors as it deems appropriate, including, without limitation, the condition of the premises, demographics of the surrounding area, proximity to other Sloan's Businesses, proximity to Competitive Businesses, lease requirements, traffic patterns, visibility, vehicular and pedestrian access, proximity to major roads, available parking and overall suitability. Franchisee shall not locate the Franchised Business on a selected site without the prior written approval of Franchisor. ***Franchisor does not represent that it, or any of its Affiliates, owners, employees or agents, have special expertise in selecting sites. Neither Franchisor's assistance nor approval is intended to indicate or indicates that the Franchised Business will be profitable or successful at the Approved Location. Franchisee is solely responsible for identifying the Approved Location.***

5.2 Failure to Select Site

Should Franchisee fail to select a site for the Franchised Business, which meets with Franchisor's approval within one hundred twenty (120) days after the Effective Date, Franchisor has the right to terminate this Agreement. If this Agreement is terminated pursuant to this Section 5.2, Franchisor shall return to Franchisee fifty percent (50%) of the Franchise Fee paid by Franchisee upon Franchisor's receipt of a general release, the same as or similar to the General Release attached as Exhibit 1, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities).

5.3 Lease of Approved Location

After the designation of the Approved Location (and if the site is to be leased or purchased) in accordance with the terms of this Agreement, Franchisee shall execute a lease for, or a binding agreement to purchase, the Approved Location, the terms of which must have been previously approved by Franchisor in writing. Franchisor shall not unreasonably withhold its approval. Should Franchisee fail to execute a lease, or a binding agreement to purchase, the Approved Location, as approved by Franchisor in writing, within thirty (30) days after the designation of the Approved Location, Franchisor has the right to terminate this Agreement. ***Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, shall not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisee acknowledges and agrees that Franchisee shall solely rely on its review of any such lease or purchase agreement.*** Franchisor shall be entitled to require that nothing therein contained is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties under this Agreement. Franchisee shall take all actions necessary to maintain the lease, if any, of the Approved Location while this Agreement is in effect. Any default for which the lease may be terminated shall also be deemed a default hereunder and the time to cure the same shall expire when the lease is terminated. Franchisor has the right to require that the lease for the Approved Location be collaterally assigned by Franchisee to Franchisor, pursuant to the terms of its standard collateral assignment of lease form, to secure performance by Franchisee of its obligation under this Agreement. Franchisor's approval of a lease shall be conditioned upon inclusion of terms in the lease acceptable to Franchisor and, at Franchisor's option, the lease shall contain such provisions as Franchisor may reasonably require, including:

5.3.1 a provision reserving to Franchisor the right, but not the obligation, at Franchisor's election, to receive an assignment of the leasehold interest without payment of any assignment fee or similar charge and without a requirement for the payment of an additional security deposit or any increase in rent or other fees upon termination or expiration of the Franchise grant. The lessor agrees that, before the effective date of any assignment of the lease to Franchisor (or its designee), Franchisee shall be solely responsible for all obligations, debts and payments under the lease. Franchisee shall not be entitled to a return of its security deposit;

5.3.2 a provision expressly permitting the lessor of the premises to provide Franchisor all sales and other information lessor may have obtained or received relating to the operation of the Franchised Business as Franchisor may request;

5.3.3 a provision requiring the lessor to provide Franchisor with a copy of any written notice of deficiency sent by the lessor to Franchisee, and granting to Franchisor the right (but not the obligation) to cure any deficiency under the lease should Franchisee fail to do so within fifteen (15) days after the expiration of the period in which Franchisee may cure the default;

5.3.4 a provision requiring the lessor to provide Franchisor (at the same time lessor provides to Franchisee) a copy of all lease amendments and assignments, and a copy of all letters and notices lessor sends to Franchisee relating to the lease or the leased premises;

5.3.5 a provision permitting Franchisor to enter the leased premises to make any modifications or alterations necessary in Franchisor's sole discretion to protect the System and the Marks without being guilty of trespass, or other tort or other crime;

5.3.6 a provision allowing Franchisee to display the Marks in accordance with the specifications required by the Confidential Operations Manual, subject only to the provisions of applicable law;

5.3.7 a provision prohibiting the premises from being used for any purpose other than the operation of the Franchised Business;

5.3.8 a provision allowing Franchisor, upon expiration and non-renewal or termination of the lease or the Franchise Agreement, to enter the premises and remove any interior and exterior signs containing the Marks and trade fixtures;

5.3.9 a provision stating that upon default of this Agreement, Franchisor or its nominee has the right, but not the obligation, to take possession of the Approved Location and operate the Franchised Business and stating that notwithstanding Franchisor's (or the nominee's) possession, the lessor agrees that during all times prior to an assignment of the lease to Franchisor (or its designee), Franchisee shall be solely responsible for all obligations, debts and payments under the lease incurred prior to or during such possession and prior to such assignment; and

5.3.10 a provision stating that lessor shall not amend or otherwise modify the lease in any manner that would affect any of the foregoing provisions to be included in the lease set forth above without Franchisor's prior written consent.

5.4 <u>Development of Approved Location</u>

Franchisor shall make available to Franchisee, at no charge to Franchisee, specifications for the development of a Sloan's Business, including specifications for the exterior and interior design and layout, fixtures, equipment, décor and signs. Such specifications are subject to alteration as Franchisor deems necessary. Franchisee shall cause the Approved Location to be developed, equipped and improved in accordance with such specifications within two hundred forty (240) days after the Effective Date. In connection with the development of the Approved Location, Franchisee shall:

5.4.1 employ an approved competent licensed architect, engineer or general contractor to prepare, for Franchisor's approval, preliminary specifications for improvement of the Approved Location adapted from the specifications furnished by Franchisor;

5.4.2 obtain all zoning classifications and clearances which may be required by state and local laws, ordinances or regulations, and submit to Franchisor, for Franchisor's approval, final plans for construction based upon the preliminary plans and specifications;

5.4.3 obtain all building, utility, sign, health, and business permits and licenses, and any other permits and licenses required for the build-out and operation of the Franchised Business and certify in writing and provide evidence to Franchisor that all such permits have been obtained;

5.4.4 employ a qualified, licensed general contractor approved by Franchisor to complete construction of all required improvements to the Approved Location;

5.4.5 purchase any supplies or inventory necessary for the operation of the Franchised Business;

5.4.6 purchase and install all equipment, signs, furniture and fixtures, including any point-of-sale and computer equipment, required for the operation of the Franchised Business;

5.4.7 purchase and install security systems and safes in accordance with Franchisor's specifications;

5.4.8 purchase and install a video and/or computer surveillance system consisting of hardware, software and/or services in accordance with Franchisor's specifications. Franchisor shall have full access to all of Franchisee's computer and point-of-sale data and systems and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement;

5.4.9 establish broadband or high-speed Internet access and obtain at least one (1) telephone numbers and one (1) facsimile number solely dedicated to the Franchised Business; and

5.4.10 obtain Franchisor's final written approval verifying that, pursuant to Franchisor's sole discretion, the Franchised Business is ready to commence operations. Franchisor has the right, but not the obligation, to inspect the premises of the Franchised Business prior to providing the written approval for the Franchised Business to open and commence operations. In Franchisor's sole discretion, if the construction, décor, supplies or any other development of the Franchised Business do not meet Franchisor's standards and specifications, Franchisee agrees to, and is obligated to cause its contractors, employees and agents to make any and all alterations and changes requested by Franchisor.

5.5 Failure to Develop Approved Location

Should Franchisee fail to develop the Approved Location for a Sloan's Business within two hundred forty (240) days after the Effective Date, Franchisor has the right to terminate this Agreement. If this Agreement is terminated pursuant to this Section 5.5, Franchisor shall return to Franchisee fifty percent (50%) of the Franchise Fee paid by Franchisee upon Franchisor's receipt of a general release, the same as or similar to the General Release attached as Exhibit 1, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities).

5.6 Opening

5.6.1 Before opening the Franchised Business and commencing business, Franchisee must:

5.6.1.1 fulfill all of the obligations of Franchisee pursuant to the other provisions of this Section 5

5.6.1.2 furnish Franchisor with copies of all insurance policies required by this Agreement, or by the lease, or such other evidence of insurance coverage and payment of premiums as Franchisor may request;

5.6.1.3 complete initial training to the satisfaction of Franchisor;

5.6.1.4 hire and train the personnel necessary or required for the operation of the Franchised Business;

5.6.1.5 purchase any supplies or inventory necessary for the operation of the Franchised Business not previously purchased pursuant to Sections 5.4.5 such as perishable food and beverage items;

5.6.1.6 if Franchisee is a business entity, Franchisee has caused each of its stock certificates or other ownership interest certificates to be conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that such ownership interest is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement;

5.6.1.7 obtain Franchisor's permission and approval of an opening date; Franchisor shall not unreasonably withhold consent to open. Permission to open shall be based on Franchisor's determination that Franchisee is ready to open and satisfactorily prepared to operate; and

5.6.1.8 pay in full all amounts due to Franchisor.

5.6.2 Franchisee shall comply with these conditions and be prepared to open and continuously operate the Franchised Business within three hundred sixty five (365) days after the Effective Date. Time is of the essence.

5.7 Failure to Open

Should Franchisee fail to commence operations of the Approved Location for the Franchised Business within three hundred sixty five (365) days after the Effective Date, Franchisor has the right to terminate this Agreement. If this Agreement is terminated pursuant to this Section 5.7, Franchisor shall retain the entire Franchise Fee paid by Franchisee. The Franchise Fee retained shall be specifically understood and agreed by the parties to be in consideration of the services provided, time expended, work performed, and other efforts of Franchisor up to the date of Franchisee's failure to timely commence operations of the Franchised Business and shall not be construed as nor considered to be a penalty.

5.8 Use of Approved Location

Franchisee shall not use the Approved Location for any purpose other than for the operation of a Sloan's Business in full compliance with this Agreement and the Confidential Operations Manual, unless approved in writing by Franchisor.

5.9 Relocation

Franchisee shall not relocate the Franchised Business without the prior written consent of Franchisor. If the lease for the Approved Location expires or terminates through no fault of Franchisee or if the Franchised Business's premises is destroyed, condemned or otherwise rendered unusable, Franchisee may request the right to relocate the Franchised Business either permanently or temporarily as appropriate under the circumstances and Franchisor shall not unreasonably withhold its consent to such relocation. Should Franchisee desire to relocate the Franchised Business for any other reason, Franchisee shall request the right and Franchisor may approve or disapprove such request. Any relocation of the Franchised Business shall be at Franchisee's sole expense, and shall proceed in accordance with the requirements set forth in Sections 5.1 through 5.7. Franchisor has the right to charge Franchisee for any costs incurred by Franchisor in providing assistance to Franchisee, including, but not limited to, legal and accounting fees. Notwithstanding the foregoing, Franchisor has no obligation to provide relocation assistance. If Franchisor and Franchisee do not agree upon a substitute site within ninety (90) days after the lease expires or is terminated or the Approved Location is rendered unusable, this Agreement shall terminate as provided in Section 16.2.1.1.

6. PROPRIETARY MARKS

6.1 Ownership

Franchisee's right to use the Marks is derived solely from this Agreement, is nonexclusive and is limited to the conduct of business by Franchisee pursuant to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created thereby, shall inure to the benefit of Franchisor. Franchisee shall not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks.

6.2 Limitations on Use

Franchisee shall not use any Mark or portion of any Mark as part of any business entity name. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised Business. Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee shall include on its letterhead, forms, cards and other such identification, and shall display at the Approved Location, a prominent notice stating that the Franchised Business is an "Independently Owned and Operated Sloan's Franchise" of Franchisee.

6.3 Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor of any infringement of the Marks or challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks. Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge or claim; provided, however, Franchisee may communicate with Franchisee's counsel at Franchisee's expense. Franchisor has the right to take such action as it deems appropriate. Franchisor and its Affiliates have the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge, or claim or otherwise relating to any of the Marks. Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks.

6.4 Indemnification for Use of Marks

Franchisor shall reimburse Franchisee for all expenses reasonably incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided that Franchisee has complied with the provisions of Section 6.3 and has complied with this Agreement and Franchisor's directions in responding to such proceeding. At Franchisor's option, Franchisor or its designee may defend and control the defense of any proceeding arising directly from Franchisee's use of any Mark. This indemnification shall not include the expense to Franchisee of removing signage or discontinuance of the use of the Marks. This indemnification shall not apply to litigation between Franchisor and Franchisee wherein Franchisee's use of the Marks is disputed or challenged by Franchisor. This indemnification shall not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks.

6.5 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within ten (10) business days after notice to Franchisee by Franchisor and subject to the limitations in Section 10.2. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark.

6.6 Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchised Business, Franchisor and its designees have the right to enter and inspect the Franchised Business and the Approved Location at all reasonable times and, additionally, have the right to observe the manner in which Franchisee renders services, handles, prepares, and stores food, conducts activities and operations, and to inspect facilities, equipment, products, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchised Business in accordance with the quality control provisions and performance standards established by Franchisor. Franchisor and its agents shall have the right, at any reasonable time, to remove sufficient quantities of products, supplies or other items to test whether such products or items meet Franchisor's then-current standards. Franchisor or its designee has the right to observe Franchisee and its employees during the operation of the Franchised Business and to interview and survey (whether in person or by mail) customers and employees and to photograph or videotape the operations. Franchisee acknowledges that any evaluation or inspection that Franchisor or its designated agents or representatives conduct is conducted in order to protect Franchisor's interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of the Franchised Business and Franchisee agrees to never contend otherwise.

6.7 Franchisor's Sole Right to Domain Name

Franchisee shall not advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Marks or the words "Sloan's" or any variation thereof without Franchisor's written approval. Franchisor is the sole owner of all right, title and interest in and to such domain names as Franchisor shall designate in the Confidential Operations Manual.

7. TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION

7.1 Confidentiality of Trade Secrets and Other Confidential Information

Franchisee acknowledges that Franchisor shall disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Confidential Operations Manual, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee shall not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchised Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee acknowledges that the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee (and all holders of a legal or beneficial interest in Franchisee and all officers, directors, executives, managers and members of the professional staff of Franchisee): (a) shall not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) shall maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) shall not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and (d) shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information. Franchisee shall enforce this Section as to its employees, agents and representatives and shall be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them.

7.2 Additional Developments

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation shall be due to Franchisee or its owners or employees therefore, and Franchisee hereby agrees to assign to Franchisor all right, title and interest in any intellectual property so developed. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

7.3 Exclusive Relationship

Franchisee acknowledges that Franchisor would be unable to protect the Trade Secrets and other Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among Sloan's franchisees if owners of Sloan's Businesses and members of their immediate families or households were permitted to hold an interest in or perform services for any Competitive Business. Therefore, during the term of this Agreement, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee (or any member of their immediate families or households), nor any officer, director, executive, manager or member of the professional staff of Franchisee, either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership, corporation, limited liability company or other business entity, shall:

7.3.1 Divert or attempt to divert any business or customer of the Franchised Business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or

7.3.2 Own an interest in, manage, operate, or perform services for any Competitive Business wherever located.

7.4 Nondisclosure and Non-Competition Agreements with Certain Individuals

7.4.1 Franchisor has the right to require all management and executive level employees of Franchisee to execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 2, upon execution of this Agreement or prior to each such person's affiliation with Franchisee. Upon Franchisor's request, Franchisee shall provide Franchisor with copies of all nondisclosure and non-competition agreements signed pursuant to this Section. Such agreements shall remain on file at the offices of Franchisee and are subject to audit or review as otherwise set forth herein. Franchisor shall be a third party beneficiary with the right to enforce covenants contained in such agreements.

7.4.2 Franchisee agrees to require and obtain the execution of a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3, from any holder of a legal or beneficial interest in Franchisee or any of Franchisee's owners (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff of Franchisee. Franchisee shall procure all such Nondisclosure and Non-Competition Agreements upon execution of this Agreement (or, if any individual or entity attains any status identified above after the execution of this Agreement, prior to such individual or entity attaining such status) and shall furnish to Franchisor copies of all executed Nondisclosure and Non-Competition Agreements immediately following their execution.

7.5 Reasonableness of Restrictions

Franchisee acknowledges that the restrictive covenants contained in this Section are essential elements of this Agreement and that without their inclusion, Franchisor would not have entered into this Agreement. Franchisee acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, the System and the Marks and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable.

8. TRAINING AND ASSISTANCE

8.1 Initial Training

Franchisor shall make an initial training program available to the Designated Manager and one (1) assistant. Approximately three (3) months prior to the opening of the Franchised Business, the Designated Manager must attend and successfully complete, to Franchisor's satisfaction, an initial training program pertaining to the operation and administration of the Franchised Business including, but not limited to, sales and marketing methods; financial controls; maintenance of quality standards; customer service techniques; record keeping; and reporting procedures and other operational issues. Franchisor shall conduct the initial training program at its headquarters or at another designated location. Franchisor shall not charge tuition or similar fees for initial training, however, all expenses incurred by Franchisee in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, shall be the sole responsibility of Franchisee. Franchisee shall be responsible for training its management and other employees.

8.2 Opening Assistance

In conjunction with the beginning of operation of the Franchised Business, Franchisor shall make available to Franchisee, at Franchisor's expense, one (1) of Franchisor's representatives, experienced in the System, for the purpose of familiarizing Franchisee's staff with the Sloan's techniques and for the purpose of providing general assistance and guidance in connection with the opening of the Franchised Business. If Franchisee requests additional assistance with respect to the opening or continued operation of the Franchised Business, and should Franchisor deem it necessary and appropriate to comply with such request, Franchisee shall pay Franchisor's then-current standard rates, plus expenses, for such additional assistance.

8.3 Failure to Complete Initial Training Program

If Franchisor determines that the Designated Manager is unable to satisfactorily complete the training program described above, Franchisor has the right to terminate this Agreement. If this Agreement is terminated pursuant to this Section 8.3, Franchisor shall return to Franchisee fifty percent (50%) of the Franchise Fee paid by Franchisee upon Franchisor's receipt of a general release, the same as or similar to the General Release attached as Exhibit 1, releasing any and all claims against Franchisor, any Affiliate and their officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities). If Franchisee is a business entity and the Designated Manager fails to complete the initial training program to Franchisor's reasonable satisfaction, Franchisee may be permitted to select a substitute Designated Manager and such substitute Designated Manager must complete the initial training to Franchisor's satisfaction.

8.4 New Designated Manager

After beginning operations, should Franchisee name a new Designated Manager, Franchisee must notify Franchisor of the identity of the new Designated Manager and the new Designated Manager must complete the initial training program to Franchisor's satisfaction within sixty (60) days of being named. The new Designated Manager may attend the initial training program without charge, provided that Franchisor has the right to require Franchisee to pay the costs of training if Franchisor determines that manager changes are excessive or caused by poor hiring practices. Franchisee shall be responsible for all travel costs, room and board and employees' salaries incurred in connection with the new Designated Manager's attendance at such training.

8.5 Ongoing Training

From time to time, Franchisor may provide and if it does, has the right to require that the Designated Manager attend ongoing training programs or seminars during the term of this Agreement. Franchisor shall not charge a fee for any mandatory ongoing training. Franchisee shall be responsible for all travel costs, room and board and employees' salaries incurred in connection with the Designated Manager's attendance at such training.

9. CONFIDENTIAL OPERATIONS MANUAL

9.1 Loan by Franchisor

While this Agreement is in effect, Franchisor shall provide Franchisee access to the Confidential Operations Manual, which could include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials. Franchisee shall conduct the Franchised Business in strict accordance with the provisions set forth in the Confidential Operations Manual. The Confidential Operations Manual may consist of one (1) or more separate manuals and other materials as designated by Franchisor and may be in written or electronic form. The Confidential Operations Manual shall, at all times, remain the sole property of Franchisor and shall promptly be returned to Franchisor upon expiration or termination of this Agreement.

9.2 Revisions

Franchisor has the right to add to or otherwise modify the Confidential Operations Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor; provided, however, that no such addition or modification shall materially alter Franchisee's fundamental status and rights under this Agreement. Franchisor may make such additions or modifications without prior notice to Franchisee. Franchisee shall immediately, upon notice, adopt any such changes and shall ensure that its copy of the Confidential Operations Manual is up-to-date at all times. If a dispute as to the contents of the Confidential Operations

Manual arises, the terms of the master copy of the Confidential Operations Manual maintained by Franchisor at Franchisor's headquarters shall be controlling.

9.3 Confidentiality

The Confidential Operations Manual contains Trade Secrets and other Confidential Information of Franchisor and its contents shall be kept confidential by Franchisee both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee shall at all times ensure that its copy of the Confidential Operations Manual is available at the Approved Location in a current and up-to-date manner. If the Confidential Operations Manual is in paper form or stored on computer-readable media, Franchisee shall maintain the Confidential Operations Manual in a secure manner at the Approved Location; if the Confidential Operations Manual is in electronic form, Franchisee shall maintain the Confidential Operations Manual in a password-protected file. Franchisee shall only grant authorized personnel, as defined in the Confidential Operations Manual, access to the Confidential Operations Manual or any key, combination or passwords needed for access to the Confidential Operations Manual. Franchisee shall not disclose, duplicate or otherwise use any portion of the Confidential Operations Manual in an unauthorized manner.

10. FRANCHISE SYSTEM

10.1 Uniformity

Franchisee shall strictly comply, and shall cause the Franchised Business and its employees to strictly comply, with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Confidential Operations Manual or other communications supplied to Franchisee by Franchisor.

10.2 Modification of the System

Franchisor has the right to change or modify the System from time to time including, without limitation, the adoption and use of new or modified Marks or copyrighted materials, and computer hardware, software, equipment, inventory, supplies, signs or sales and marketing techniques or certification requirements. Franchisee shall accept and use any such changes in, or additions to, the System as if they were a part of this Agreement as of the Effective Date. Franchisee shall make such expenditures as such changes, additions or modifications in the System may reasonably require; provided, however, Franchisee shall not be required to implement or conform to any such changes, additions or modifications if the cost to do so would exceed (a) ONE DOLLAR ($1.00) during the first (1st) year of the term of this Agreement ; or (b) ONE DOLLAR ($1.00) during the final year of the term of this Agreement if Franchisee provides written notice of its intention not to renew the Franchise. Any required expenditure for changes or upgrades to the System shall be in addition to expenditures for repairs and maintenance as required in Section 13.2. Notwithstanding the foregoing, Franchisee shall be required to make any and all improvements or modifications whenever such are required by law, regulation, agency decision or court order.

10.3 Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular Sloan's Business. Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance hereunder.

11. ADVERTISING AND PROMOTIONAL ACTIVITIES

11.1 Grand Opening Advertising

Franchisee shall determine an appropriate amount to expend on local advertising and promotion of the initial opening of the Franchised Business ("Grand Opening Advertising"). In determining the appropriate amount of Grand Opening Advertising Franchisee should take into account the area surrounding the Franchised Business and other potentially relevant factors, such as prevailing costs of advertising in the area, the time of year of opening and other similar factors. Prior to their use, all materials to be used in Grand Opening Advertising must be approved by Franchisor through the process set forth in Section 11.2.2. Grand Opening Advertising expenditures shall be in addition to any Local Advertising expenditures and Marketing Fund Contributions.

11.2 Local Advertising

11.2.1 Franchisee shall continuously promote the Franchised Business within the immediate locality surrounding the Franchised Business ("Local Advertising"). Franchisor shall provide general guidelines to Franchisee for conducting Local Advertising. Within thirty (30) days after the end of each month, Franchisee shall furnish to Franchisor an accurate accounting of the expenditures on Local Advertising for the preceding month.

11.2.2 Franchisee shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee including, but not limited to, television ads, radio ads, ad copy, coupons, flyers, scripts and direct mail. Franchisor shall use reasonable efforts to provide notice of approval or disapproval within twenty (20) days from the date all requested material is received by Franchisor. If Franchisor does not approve submitted materials by the end of such twenty (20) day period, such materials shall be deemed to have received the required approval. Franchisee shall not use any marketing or promotional material prior to approval by Franchisor. The submission of advertising materials to Franchisor for approval shall not affect Franchisee's right to determine the prices at which Franchisee sells products or provides services.

11.3 Marketing Fund

Franchisor has established and administers a System-wide marketing, advertising and promotion fund to assist in Franchisor's regional and national advertising ("Marketing Fund"). Franchisee shall be required to contribute weekly to the Marketing Fund in an amount specified by Franchisor and which Franchisor may adjust from time to time ("Marketing Fund Contribution"). Marketing Fund Contributions shall be made at the time and in the manner provided for Royalty Fees in Section 3.2. Franchisor shall notify Franchisee at least thirty (30) days before changing Marketing Fund Contribution requirements. Franchisor may designate a separate entity as it deems appropriate in its sole discretion to maintain and administer the Marketing Fund. Any such entity will have all of the rights and duties as specified in this Section. The Marketing Fund shall be maintained and administered by Franchisor or its designee as follows:

11.3.1 Franchisor will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. Franchisor does not warrant that any particular franchisee will benefit directly or *pro rata* from expenditures by the Marketing Fund. The program(s) may be local, regional or System-wide. Franchisor does not warrant the success or effectiveness of any particular marketing program.

11.3.2 Franchisee's Marketing Fund Contributions may pay, or reimburse Franchisor for its cost of, for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce Website, social media sites and pages, mobile device applications, gift card programs (including covering any losses in connection therewith) and/or related strategies, hardware or software in connection with any of the foregoing; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. All Marketing Fund Contributions shall be maintained in a separate account from the monies of Franchisor and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable costs and expenses, if any, that Franchisor may incur in activities reasonably related to the administration of the Marketing Fund.

11.3.3 Franchisor shall endeavor to spend all Marketing Fund Contributions on marketing programs and promotions during Franchisor's fiscal year within which such contributions are made. If excess amounts remain in any Marketing Fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest or other earnings of the Marketing Fund, and next out of prior year contributions and then out of current contributions.

11.3.4 Although Franchisor intends the Marketing Fund to be of perpetual duration, Franchisor has the right to terminate the Marketing Fund at any time. The Marketing Fund shall not be terminated, however, until all Marketing Fund Contributions have been expended for advertising and promotional purposes or returned to Franchisee and other franchisees on a *pro rata* basis based on total Marketing Fund Contributions made in the aggregate by each franchisee.

11.3.5 Sloan's Businesses operated by Franchisor or an Affiliate are not required to make Marketing Fund Contributions at the same rate as Franchisee is required to make.

11.3.6 An accounting of the operation of the Marketing Fund shall be prepared annually and shall be available to Franchisee upon request. Franchisor retains the right to have the Marketing Fund reviewed or audited and reported on, at the expense of the Marketing Fund, by an independent certified public accountant selected by Franchisor.

11.3.7 Franchisee acknowledges that the Marketing Fund is not a trust and Franchisor assumes no fiduciary duty in administering the Marketing Fund.

11.4 Cooperative Advertising

Franchisor has the right, but not the obligation, to create a Cooperative Advertising program for the benefit of Sloan's Businesses located within a particular region. Franchisor has the right to collect and designate all or a portion of the Local Advertising to payments or contributions to Franchisor for the funding of a Cooperative Advertising program. Franchisor has the right to determine the composition of all geographic territories and market areas for the implementation of each Cooperative Advertising program and to require that Franchisee participate in such Cooperative Advertising programs when established within Franchisee's region. If a Cooperative Advertising program is implemented in a particular region, Franchisor has the right to administer the Cooperative Advertising program or to establish an advertising council of franchisees to self-administer the Cooperative Advertising program.

Each Cooperative Advertising program will be organized and governed in a form and manner, and begin operating on a date, that Franchisor determines in advance. Each Cooperative Advertising program's purpose is, with Franchisor's approval, to administer advertising programs and develop promotional materials for the area the Cooperative Advertising program covers. If Franchisor establishes a Cooperative Advertising program for the geographic area in which the Franchised Business is located, Franchisee must sign the documents Franchisor requires to become a member of the Cooperative Advertising program and participate in the Cooperative Advertising program as those documents require. Franchisee shall participate in the council according to the rules and procedures established by the council and Franchisee shall abide by the council's decisions. Should Franchisor establish a Cooperative Advertising program or programs with or without an advertising council, Franchisor has the right, but not the obligation, to change, dissolve or merge such program(s) and/or council(s) at any time.

Franchisee agrees to send Franchisor and the Cooperative Advertising program any reports that Franchisor requires. The Cooperative Advertising program and its members may not use any advertising or promotional plans or materials without Franchisor's prior written consent.

11.5 Internet Advertising

Franchisee may not establish a presence on, or market using, the Internet in connection with the Franchised Business without Franchisor's prior written consent. Franchisor has established and maintains an Internet website at the uniform resource locator www.sloansicecream.com that provides information about the System and the products and services that Franchisor and its franchisees provide. Franchisor may (but is not required to) include at the Sloan's website an intranet section or an interior page containing information about the Franchised Business. If Franchisor includes such information on the Sloan's website, Franchisor has the right to require Franchisee to prepare all or a portion of the section or page, at Franchisee's expense, using a template that Franchisor provides. All such information shall be subject to Franchisor's approval prior to posting. Franchisor retains the sole right to advertise and sell the products and services offered by Sloan's Businesses and to use the Marks on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements. Franchisee may be requested to provide content for Franchisor's Internet marketing and shall be required to follow Franchisor's intranet and Internet usage rules, policies and requirements. Franchisor retains the sole right to approve any linking to, or other use of, the Sloan's website.

11.6 Online and Telephone Directory Advertising

Franchisee must list and advertise the Franchised Business in at least one (1) online directory listing (e.g., Google or Yelp) as Franchisor designates or approves from time to time. Franchisee must also list the telephone number(s) for the Franchised Business in the "white pages" local telephone directory and advertise the Franchised Business in the classified or "yellow pages" telephone directory distributed in its trade area and in such directory heading or category as specified by Franchisor. Franchisee must place the classified directory advertisement and listings together with other Sloan's Businesses operating within the distribution area of the directories. If a joint listing is obtained, all Sloan's Businesses listed together shall pay a *pro rata* share of the cost of the advertisements and listings. Telephone directory advertising expenditures are in addition to Franchisee's Local Advertising obligations.

12. ACCOUNTING, RECORDS AND REPORTING OBLIGATIONS

12.1 Records

During the term of this Agreement, Franchisee shall maintain full, complete and accurate books, records and accounts in accordance with the standard accounting system prescribed by Franchisor in the Confidential Operations Manual or otherwise in writing. Franchisee shall retain during the term of this Agreement, and for three (3) years thereafter, all books and records related to the Franchised Business including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, deposit receipts, cash receipts and disbursement journals, general ledgers, and any other financial records designated by Franchisor or required by law.

12.2 Gross Sales Reports

Franchisee shall maintain an accurate record of Gross Sales and shall deliver to Franchisor via facsimile transmission, email, or the intranet, a signed and verified statement of Gross Sales ("Gross Sales Report") for the week ending each Sunday in a form that Franchisor approves or provides in the Confidential Operations Manual. The Gross Sales Report for the preceding week must be provided to Franchisor by the close of business on Tuesday of each week as provided in Section 3.2. If Franchisee fails to timely make a Gross Sales Report, then Franchisor may withdraw estimated Royalty Fees and other amounts based on 110% of the most recent Gross Sales information Franchisor has; Franchisor will true-up the actual fees after Franchisee reports its Gross Sales and will refund any excess fees collected.

12.3 Financial Statements

Franchisee shall supply to Franchisor on or before the fifteenth (15^{th}) day of each month, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding month and the fiscal year-to-date. Franchisee shall, at its expense, submit to Franchisor within ninety (90) days after the end of each calendar year, an income statement for the calendar year just ended and a balance sheet as of the last day of the calendar year. Such financial statements shall be prepared in accordance with GAAP applied on a consistent basis. If required by Franchisor, such financial statements shall be reviewed or audited by a certified public accountant. Franchisee shall submit to Franchisor such other periodic reports in the manner and at the time specified in the Confidential Operations Manual or otherwise in writing.

12.4 Other Reports

Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Confidential Operations Manual. Franchisor shall have the right to release financial and operational information relating to the Franchised Business to Franchisor's lenders or prospective lenders. Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement.

12.5 Computer/Point-of-Sale System

Franchisor reserves the right to require Franchisee to purchase, install and use computer and point-of-sale systems consisting of hardware, software and/or services in accordance with Franchisor's specifications. Franchisor shall have full access to all of Franchisee's computer and point-of-sale data and systems and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement.

12.6 Video/Computer Surveillance System

Franchisor reserves the right to require Franchisee to purchase, install and use video and computer surveillance systems consisting of hardware, software and/or services in accordance with Franchisor's specifications. Franchisor shall have full access to all of Franchisee's video and computer surveillance systems and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement. Franchisee shall provide to Franchisor any and all passwords or security codes required to access and view the video surveillance system over the Internet.

12.7 Right to Inspect

Franchisor or its designee has the right, during normal business hours, to examine, copy and audit the books, records and tax returns of Franchisee. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of eighteen percent (18%) per annum (or the highest rate allowed by the law of the state where Franchisee is located, whichever is lower). If the audit or the inspection discloses an underpayment of three percent (3%) or more of the amount due for any period covered by the audit, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees). The foregoing remedies shall be in addition to any other remedies Franchisor may have.

12.8 Release of Records

At Franchisor's request, Franchisee shall authorize and direct any third parties, including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised Business including, but not limited to, records evidencing Gross Sales, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor.

13. STANDARDS OF OPERATION

13.1 Authorized Products, Services and Suppliers

13.1.1 Franchisee acknowledges that the reputation and goodwill of the System is based in large part on offering high quality products and services to its customers. Accordingly, Franchisee shall provide or offer for sale or use at the Franchised Business only those ingredients, food, packaging, supplies, signs, equipment and other items and services that Franchisor from time to time approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards. If required by Franchisor, any such items or services shall be purchased only from "Approved Suppliers" that Franchisor designates or approves (which might include, or be limited to, Franchisor or an Affiliate). Franchisee shall not offer for sale, sell or provide through the Franchised Business or from the Approved Location any products or services that Franchisor has not approved.

13.1.2 Franchisor shall provide Franchisee, in the Confidential Operations Manual or other written or electronic form, with a list of specifications and, if required, a list of Approved Suppliers for some or all of the required food products, supplies, signs, equipment and other approved or specified items and services, and Franchisor may from time to time issue revisions to such list. If Franchisor or an Affiliate is an Approved Supplier, Franchisee shall execute a standard form purchase or supply agreement for the items to be supplied by Franchisor or its Affiliates. If Franchisee desires to utilize any products or services that Franchisor has not approved (for products and services that require supplier approval), Franchisor may direct Franchisee to have the service or product and/or supplier evaluated by an independent agency to determine whether the service or product complies with Franchisor's standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisee shall bear all of the expenses for such independent evaluation. Franchisor will decide within a reasonable time (usually thirty 30days) after receiving the required information whether Franchisee may purchase or lease such items or services or from such supplier. Failure to receive written approval of a supplier from Franchisor will be a denial of the proposed supplier. Approval of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Nothing in this Section shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications that Franchisor deems confidential.

13.1.3 Notwithstanding anything contrary in this Agreement, Franchisor has the right to review from time to time its approval of any items or suppliers. Franchisor may revoke its approval of any item, service or supplier at any time by notifying Franchisee and/or the supplier. Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor and shall promptly cease purchasing from suppliers disapproved by Franchisor.

13.1.4 Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences. Franchisor has the right to give its consent to one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors set forth in Section 10.3 and shall not create any rights in Franchisee to provide the same products or services.

13.1.5 If Franchisor approves Franchisee to offer delivery and/or catering services in connection with its Sloan's Business, Franchisee must make accommodations for delivery and/or catering services in compliance with Franchisor's System standards set forth in the Confidential Operations Manual or otherwise in writing by

Franchisor, including without limitation, utilizing only the specified designated delivery and/or catering service providers Franchisor identifies, making available the products and services identified as appropriate for delivery and/or catering (and only those designated products and services), and limiting the delivery and/or catering services to any delivery and/or catering area Franchisor specifies to Franchisee in writing. Franchisee acknowledges and agrees that any delivery and/or catering area Franchisor specifies is not exclusive and Franchisor may engage, and/or allow other franchisees and third parties to engage, in any activities Franchisor desires within the delivery and/or catering area without any restrictions (including allowing other Sloan's Businesses and delivery and/or catering service providers to provide delivery and/or catering services in the delivery and/or catering area). Franchisee further acknowledges and agrees that any delivery and/or catering area Franchisor specifies is nothing more than the geographic boundaries in which Franchisee may deliver and/or cater those products and services approved for delivery and/or catering from the Approved Location, and no other rights are granted to Franchisee whatsoever.

13.1.6 Franchisor has the right to retain volume rebates, markups and other benefits from suppliers or in connection with the furnishing of suppliers and to use all amounts received without restriction for any purposes Franchisor and its Affiliates deem appropriate (unless Franchisor and its Affiliates agree otherwise with the supplier). Franchisee shall have no entitlement to or interest in any such benefits.

13.2 Appearance and Condition of the Franchised Business

Franchisee shall maintain the Franchised Business and the Approved Location in "like new" condition, and shall repair or replace equipment, fixtures, supplies, inventory and signage as necessary to comply with the health and safety standards and specifications of Franchisor and Franchisee's lessor and any applicable laws or regulations. The expense of such maintenance shall be borne by Franchisee and shall be in addition to any required System modifications, as described in Section 10.2.

13.3 Ownership and Management

The Franchised Business shall, at all times, be under the direct supervision of Franchisee. The Designated Manager shall devote sufficient efforts to the management of the day-to-day operation of the Franchised Business, but not less than thirty-five (35) hours per week, excluding vacation, sick leave and similar absences. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its Designated Manager. Franchisee must not engage in any business or other activities that will conflict with its obligations under this Agreement. Although Franchisor retains the right to establish and periodically modify standards for operating the Franchised Business that Franchisee has agreed to maintain, Franchisee retains the right to, and responsibility for, the day-to-day management and operation of the Franchised Business and implementing and maintaining the standards at the Franchised Business.

13.4 Days of Operation

Franchisee shall keep the Franchised Business open for business during normal business hours on the days specified in the Confidential Operations Manual.

13.5 Contributions and Donations

In order to protect the Marks, Franchisee must obtain Franchisor's prior written consent before making any contributions or donations of items, services or funds to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any organization). Franchisor may withhold any such consent in its sole and absolute discretion.

13.6 Licenses and Permits

Franchisee shall secure and maintain in force all required licenses, permits and certificates necessary for the operation of the Franchised Business, and shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised Business. Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations with regard to the operation of the Franchised Business.

13.7 Notification of Proceedings

Franchisee shall notify Franchisor in writing of the receipt of a notice of demand or threatened claim of liability of, or damages against or involving, Franchisee or the Franchised Business not more than five (5) days after Franchisee's receipts of such notice. Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised Business, and of the issuance of any order, writ, injunction, judgment, award or decree which may affect the operation or financial condition of the Franchised Business not more than five (5) days after notice of such commencement or issuance. Franchisee shall deliver to Franchisor not more than five (5) days after Franchisee's receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation.

13.8 Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created and licenses granted hereby. Therefore, Franchisee shall endeavor to maintain high standards of quality and service in the operation of the Franchised Business. Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised Business. The Franchised Business shall in all dealings with its customers, vendors and the general public, adhere to the highest standards of honesty, fair dealing and ethical conduct. If Franchisor deems that Franchisee did not fairly handle a customer complaint, Franchisor has the right to intervene and satisfy the customer. Franchisor has the right to terminate this Agreement for violation of this Section. Franchisee shall reimburse Franchisor for all costs incurred by Franchisor in servicing a customer of the Franchised Business pursuant to this Section.

13.9 Compliance with Laws

Franchisee agrees to operate the Franchised Business in compliance, and to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply, with all applicable legislation, laws, regulations, rules, ordinances, administrative orders, decrees and policies of any court, arbiter, government, governmental agency, department, or similar organization that are in effect from time to time, including without limitation: (a) the various anti-terrorism, economic sanctions, and anti-money laundering and narco-trafficking laws, regulations, orders, decrees and guidelines of the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (b) the USA PATRIOT Act (Title III of Pub. L. 107-56, signed into law October 26, 2001), as amended, (c) the provisions of United States Executive Order 13224, (d) the U.S. Prevention of Corruption Act 1988, (e) the U. S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-2, (f) relevant multilateral measures such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption, (g) bribery and anti-corruption laws, (h) the laws against money laundering, and (i) the laws against facilitating or supporting persons who conspire to commit these and other crimes against any person or government. Franchisee immediately shall notify Franchisor in writing if a potential violation of any of the foregoing legislation, laws, regulations, rules, ordinances, administrative orders, decrees and/or policies has occurred or is suspected to have occurred. Franchisee immediately shall provide Franchisor with copies of any communication to or from any such agency, government, or commission that relates to or affects this Agreement, the Franchised Business, or the Marks. Any failure to comply with this Section by Franchisee or Franchisee's owners, or any blocking of Franchisee's or

Franchisee's owners' assets under any of such laws, legislation, regulations, orders, decrees and/or policies shall constitute good cause for immediate termination of this Agreement, as provided in Section 16.2.1.19 below.

13.10 Uniforms

Franchisee shall abide by any uniform or dress code requirements stated in the Confidential Operations Manual or otherwise. Uniforms must be purchased from an Approved Supplier, if such is designated, or if none, then a supplier who meets Franchisor's specifications and quality standards for uniforms.

13.11 Vending Machines

Franchisee shall not install or use at the Franchised Business any vending machines, amusement devices, jukeboxes, video machines or other similar devices without first securing Franchisor's written approval.

13.12 Credit Cards

Franchisee shall, at its expense, lease or purchase the necessary equipment and/or software and shall have arrangements in place with Visa, MasterCard and such other credit card issuers as Franchisor may designate, from time to time, to enable the Franchised Business to accept such methods of payment from its customers.

13.13 E-Mail

Franchisee shall, at all times and at Franchisee's expense, maintain an e-mail address and account for communicating with Franchisor. Franchisee may change its e-mail address by giving written notice of such change of address to Franchisor.

13.14 Gift Cards

The System may regulate the issuing and honoring/redeeming gift certificates, coupons, and gift, loyalty, and affinity cards and administering gift card and other customer loyalty, affinity, and similar programs. Franchisee must participate in, and comply with the requirements of, Franchisor's gift card and other customer loyalty, affinity, and similar programs (including Franchisor's issuing and honoring/redemption procedures and giving Franchisor all customer-specific information Franchisee receives or generates from operating the Franchised Business, which customer-specific information Franchisor will be deemed to own). Franchisor may keep any prepaid amounts that are not used by customers to the extent allowed by applicable law.

13.15 Social Media

Franchisee shall follow Franchisor's mandatory specifications, standards, operating procedures, and rules for using social media in connection with Franchisee's operation of the Franchised Business ("social media" includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools).

13.16 Best Efforts

Franchisee shall use its best efforts to promote and increase the sales and recognition of services offered through the Franchised Business. Franchisee shall require all of Franchisee's employees, managers, officers, agents and representatives to make a good faith effort to enhance and improve the System and the sales of all products and services provided as part of the System.

13.17 Privacy Practices

13.17.1 With respect to Privacy Information, Franchisee must comply with all of their obligations under applicable privacy laws, including any local, state, or federal data privacy or data security law or regulation.

13.17.2 Franchisee shall not sell any Privacy Information. Franchisee further agrees to not access, use, or process the Privacy Information except in the furtherance of its obligations under this Agreement, but in all times, in compliance with applicable privacy laws.

13.17.3 To the extent Franchisor does not have the then-current ability to address requests made under any applicable privacy law by individuals that are the subject of any of the Privacy Information, Franchisee shall, upon Franchisor's request, provide reasonable assistance to Franchisor in responding to such requests.

13.17.4 In the event of a Data Security Event, Franchisee must notify Franchisor immediately after becoming aware of the Data Security Event and shall cooperate with Franchisor and follow all of Franchisor's reasonable requests to address the Data Security Event and to protect any Privacy Information and/or Confidential Information. Franchisor, or its designee, has the right, but not the obligation, to take any action or pursue any proceeding with respect to the Data Security Event.

14. FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

14.1 General Advice and Guidance

Franchisor shall be available to render advice, discuss problems and offer general guidance to Franchisee by telephone, e-mail, facsimile, newsletters and other methods with respect to planning, opening and operating the Franchised Business. Franchisor shall not charge for this service, however, Franchisor retains the right to refuse or charge a fee for this service should Franchisee be deemed by Franchisor to be utilizing this service too frequently or in an unintended manner. Franchisor's advice or guidance to Franchisee relative to prices for products and services that, in Franchisor's judgment, constitutes good business practice is based upon the experience of Franchisor and its franchisees in operating Sloan's Businesses and an analysis of costs and prices charged for competitive products and services. Franchisee shall have the sole right to determine the prices to be charged by the Franchised Business; provided, however, that Franchisor shall have the sole right to determine the prices to be charged for products sold through the Sloan's Internet site, including products sold to persons identified as customers of the Franchised Business.

14.2 Periodic Visits

Franchisor or Franchisor's representative shall make periodic visits, which may be announced or unannounced, to the Franchised Business for the purposes of consultation, assistance and guidance with respect to various aspects of the operation and management of the Franchised Business. Franchisor and Franchisor's representatives who visit the Franchised Business may prepare, for the benefit of both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchised Business. A copy of any such written report shall be provided to Franchisee. Franchisee shall implement any required changes or improvements as required by Franchisor with time being of the essence.

15. INSURANCE

15.1 Types and Amounts of Coverage

At its sole expense, Franchisee shall procure within sixty (60) days of the Effective Date, and maintain in full force and effect during the term of this Agreement, the types of insurance listed below. All policies shall expressly name Franchisor, and any other entity or entities Franchisor requires, as additional insured(s) or loss payee(s) and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure:

15.1.1 "all risk" property insurance coverage on all assets including inventory, furniture, fixtures, leasehold improvements, equipment, supplies and other property used in the operation of the Franchised Business. Franchisee's property insurance policy shall include coverage for fire, vandalism and malicious mischief and extended perils including wind, hail and flood and must have coverage limits of at least full replacement cost, with a maximum deductible of TEN THOUSAND DOLLARS ($10,000.00);

15.1.2 workers' compensation insurance that complies with the statutory requirements of the state in which the Franchised Business is located and employer liability coverage with a minimum limit of ONE MILLION DOLLARS ($1,000,000.00) or, if higher, the statutory minimum limit as required by state law;

15.1.3 comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by, or occurring in conjunction with, the operation of the Franchised Business, or Franchisee's conduct of business pursuant to this Agreement, with a minimum liability coverage of ONE MILLION DOLLARS ($1,000,000.00) per occurrence and TWO MILLION DOLLARS ($2,000,000.00) in the aggregate or, if higher, the statutory minimum limit required by state law;

15.1.4 business interruption insurance in amounts and with terms acceptable to Franchisor;

15.1.5 automobile liability insurance for owned or hired vehicles, with a combined single limit of at least ONE MILLION DOLLARS ($1,000,000.00) or, if higher, the statutory minimum limit required by state law;

15.1.6 employment practices liability insurance in amounts and with terms acceptable to Franchisor;

15.1.7 occurrence based general liability coverage;

15.1.8 FIVE MILLION DOLLAR ($5,000,000.00) umbrella policy above underlying coverage; and

15.1.9 such insurance as necessary to provide coverage under the indemnity provisions set forth in Section 21.3.

15.2 <u>Future Increases</u>

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) (including reasonable excess liability insurance employment practices liability insurance, and cyber insurance) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

15.3 <u>Carrier Standards</u>

Such policies shall be written by an insurance company licensed in the state in which Franchisee operates and having at least an "A" Rating Classification as indicated in the latest issue of <u>A.M. Best's Key Rating Guide</u>. Although A.M. Best groups "A" and "A-" in the same classification, Franchisor demands an "A" rating.

15.4 <u>Evidence of Coverage</u>

Franchisee's obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 21.3. Franchisee shall provide, annually, certificates of insurance showing compliance with the foregoing requirements. Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days' prior written notice to Franchisor and shall reflect proof of payment of premiums.

15.5 Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, shall be payable by Franchisee immediately upon notice.

16. DEFAULT AND TERMINATION

16.1 Termination by Franchisee

If Franchisee is in full compliance with all of the terms of this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within ninety (90) days after receiving written notice identifying the claimed breach, Franchisee may elect to terminate this Agreement unless the breach cannot reasonably be cured within such ninety (90) days. If the breach cannot reasonably be cured in such ninety (90) days, Franchisee may elect to terminate this Agreement only if Franchisor does not promptly undertake and continue efforts to cure such material breach within a reasonable period of time and furnish Franchisee reasonable proof of such efforts.

16.2 Termination by Franchisor

16.2.1 Franchisor has the right to terminate this Agreement, without any opportunity to cure by Franchisee, if Franchisee:

16.2.1.1 fails to timely select an approved site for or establish, equip and commence operations of the Franchised Business pursuant to Section 5;

16.2.1.2 fails to sign a lease or a binding agreement to purchase the Approved Location, pursuant to Section 5.3;

16.2.1.3 fails to have its Designated Manager satisfactorily complete any training program pursuant to Section 8;

16.2.1.4 (or any of Franchisee's owners) made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into this Agreement;

16.2.1.5 (or any of Franchisee's owners) are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony, crime involving moral turpitude, or any other crime or offense which Franchisor reasonably believes adversely affects the reputation of the System, Franchisor, Franchisee or the Franchised Business or the goodwill associated with the Marks;

16.2.1.6 (or any of Franchisee's owners) engage in any dishonest or unethical conduct which, in Franchisor's opinion, adversely affects the reputation of the System, Franchisor, Franchisee or the Franchised Business or the goodwill associated with the Marks;

16.2.1.7 (or any of Franchisee's owners) discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Confidential Operations Manual, Trade Secrets or any other Confidential Information;

16.2.1.8 if required by Franchisor, fails to have any holder of a legal or beneficial interest in Franchisee or any of Franchisee's owners (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee, execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 2 or Exhibit 3, upon execution of this Agreement (or, if any individual or entity attains any status identified above after the execution of this Agreement, prior to such individual or entity attaining such status) or fails to provide Franchisor with copies of all executed nondisclosure and non-competition agreements as required pursuant to Section 7.4;

16.2.1.9 abandons, fails or refuses to actively operate the Franchised Business for three (3) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved by Franchisor), or, if first approved by Franchisor, fails to promptly relocate the Franchised Business following the expiration or termination of the lease for the Approved Location, the destruction or condemnation of the Approved Location or any other event rendering the Approved Location unusable;

16.2.1.10 surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner thereof as herein required;

16.2.1.11 fails to maintain the Franchised Business under the primary supervision of a Designated Manager during the one hundred eighty (180) days following the death or Incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 18.6;

16.2.1.12 submits to Franchisor on two (2) or more separate occasions at any time during the term of the Franchise any reports or other data, information or supporting records that understate any Royalty Fee or any other fees owed to Franchisor by more than three percent (3%) for any accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

16.2.1.13 is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if execution is levied against Franchisee's business or property; if a suit to foreclose any lien or mortgage against its Approved Location or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed;

16.2.1.14 misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

16.2.1.15 fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, Marketing Fund Contribution, amounts due for purchases from Franchisor and any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

16.2.1.16 violates on two (2) or more occasions any health or safety law, ordinance or regulation, or operates the Franchised Business in a manner that presents a health or safety hazard to its customers, employees or the public;

16.2.1.17 (or any of Franchisee's owners) engages in any activity exclusively reserved to Franchisor;

16.2.1.18 fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance;

16.2.1.19 (or any of Franchisee's owners) fails to comply with Section 13.9 of this Agreement, or Franchisee or any of Franchisee's owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities;

16.2.1.20 fails to immediately, or, within any time limit provided by law, whichever is longer, take action to remedy any immediate health or safety hazard to customers and/or employees;

16.2.1.21 breaches this Agreement and/or fails to comply with mandatory specifications, customer service standards or operating procedures prescribed in the Confidential Operations Manual on two (2) or more separate occasions within any period of twelve (12) consecutive months, whether or not previous breaches or failures are cured; or

16.2.1.22 defaults under any other agreement between Franchisor (or any Affiliate) and Franchisee, such that Franchisor or its Affiliates, as the case may be, has the right to terminate such agreement or such agreement automatically terminates.

16.2.2 In addition to the provisions listed in Section 16.2.1, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination stating the nature of the default; provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and shall continue to make all reasonable efforts to cure until a cure is effected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period:

16.2.2.1 within five (5) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor;

16.2.2.2 within thirty (30) days of receiving notice of Franchisee's failure to make a timely payment of any amount due to a supplier unaffiliated with Franchisor (other than payments which are subject to bona fide dispute);

16.2.2.3 within ten (10) days of receiving notice of Franchisee's failure to maintain insurance as specified in Section 15 of this Agreement; or

16.2.2.4 within thirty (30) days of receiving notice of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Confidential Operations Manual or otherwise prescribed in writing.

16.3 Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

16.4 Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to Section 16.2.2, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any products or services for which Franchisor is an Approved Supplier to Franchisee, until such time as Franchisee corrects the breach.

16.5 Right of Franchisor to Operate Franchised Business

Following the delivery of a notice of termination pursuant to Section 16.2.2, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume the operation of the Franchised Business until such time as Franchisee corrects the breach. Franchisor may charge a management fee as stated in the Confidential Operations Manual from time to time, currently equal to SIX HUNDRED DOLLARS ($600.00) per day, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business. Should Franchisor elect to assume the operation of the Franchised Business on a temporary basis, Franchisor shall have no responsibility or liability for the obligations, debts or payments under the lease for the Approved Location or otherwise.

17. RIGHTS AND DUTIES UPON EXPIRATION OR TERMINATION

17.1 Actions to be Taken

Except as otherwise provided herein, upon termination or expiration, this Agreement and all rights granted hereunder to Franchisee shall terminate and Franchisee shall:

17.1.1 immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;

17.1.2 cease to use the Trade Secrets, Confidential Information, the System, the Marks, any colorable imitation of a Mark, or other indicia of a Sloan's Business (including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms, any trade name, trade or service mark, or other commercial symbol and any other items which display or are associated with the Marks or suggest a connection or association with Franchisor) in any manner or for any purpose;

17.1.3 discontinue the use of any website and social media used in connection with the Franchised Business or otherwise referring to the Marks or Sloan's Businesses;

17.1.4 deliver to Franchisor, at Franchisee's expense, within thirty (30) days all signs, sign-faces, sign-cabinets, marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a Sloan's Business that Franchisor requests and allow Franchisor, without liability to Franchisee or third parties for trespass or any other claim, to enter the Franchised Business's premises and remove these items from the Franchised Business;

17.1.5 if Franchisor does not exercise its option to purchase the Franchised Business under Section 17.4 below, Franchisee agrees promptly and at its own expense to make the alterations Franchisor specifies in the Confidential Operations Manual (or otherwise) to distinguish the Franchised Business clearly from its former appearance and from other Sloan's Businesses in order to prevent public confusion;

17.1.6 upon demand by Franchisor, immediately assign (or, if an assignment is prohibited, sublease for the full remaining term, and on the same terms and conditions as Franchisee's lease) its interest in the lease then in effect for the Approved Location to Franchisor and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement, and Franchisor has the right to pay rent and other expenses directly to the party to whom such payment is ultimately due;

17.1.7 take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name "Sloan's®" or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;

17.1.8 pay all sums owing to Franchisor and any Affiliate. In the event of termination for any default of Franchisee, such sums shall include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees with respect to litigation, arbitration, appellate or bankruptcy proceedings, unpaid Royalty Fees, loss of future Royalty Fee payments incurred by Franchisor as a result of any early termination of this Agreement, and any other amounts due to Franchisor or any Affiliate;

17.1.9 pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

17.1.10 immediately return to Franchisor the Confidential Operations Manual, Trade Secrets and all other Confidential Information including training or other manuals furnished to Franchisee, records, files, instructions, documents, brochures, agreements, disclosure statements, computer software and database material, customer lists, display items, advertising and promotional material, and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business (all of which are acknowledged to be Franchisor's property);

17.1.11 assign all telephone listings and numbers for the Franchised Business to Franchisor and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks in any regular, classified or other telephone directory listing and shall authorize transfer of same to or at the direction of Franchisor;

17.1.12 agree to give Franchisor, within thirty (30) days after expiration or termination of this Agreement, evidence satisfactory to Franchisor of Franchisee's compliance with these obligations; and

17.1.13 comply with all other applicable provisions of this Agreement.

17.2 <u>Post-Termination or Expiration Covenant Not to Compete</u>

17.2.1 Franchisee acknowledges that the restrictive covenants contained in this Section and in Section 7 are fair and reasonable and are justifiably required for purposes including, but not limited to, the following:

17.2.1.1 to protect the Trade Secrets and other Confidential Information of Franchisor;

17.2.1.2 to induce Franchisor to grant a Franchise to Franchisee; and

17.2.1.3 to protect Franchisor against its costs in training Franchisee and its officers, directors, executives, professional staff and Designated Managers.

17.2.2 Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any holder of a legal or beneficial interest in Franchisee, nor any officer, director, executive, manager or member of the professional staff of Franchisee, shall, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, own an interest in, manage, operate or provide services to any Competitive Business located or operating (a) within a twenty-five (25) mile radius of the Approved Location or within the Area of Primary Responsibility (whichever is greater), or (b) within a twenty-five (25) mile radius of the location of any other Sloan's Business in existence at the time of termination or expiration.

17.2.3 In furtherance of this Section, Franchisor has the right to require certain individuals to execute a nondisclosure and non-competition agreement, in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3.

17.3 Unfair Competition

If Franchisee operates any other business, Franchisee shall not use any reproduction, counterfeit, copy or colorable imitation of the Confidential Operations Manuals or Marks, either in connection with such other business or the promotion thereof, that is likely to cause confusion, mistake or deception, or that is likely to dilute Franchisor's rights in the Marks. Franchisee shall not utilize any designation of origin, description or representation that suggests or represents an association or connection with Franchisor. This Section is not intended as an approval of Franchisee's right to operate other businesses and in no way is it intended to contradict Sections 7, 17.1 or 17.2. If Franchisor elects not to receive an assignment or sublease of the Approved Location, Franchisee shall make such modifications or alterations to the Approved Location (including changing telephone and facsimile numbers) immediately upon termination or expiration of this Agreement as may be necessary to prevent any association between Franchisor or the System and any business subsequently operated by Franchisee or others at the Approved Location. Franchisee shall make such specific additional changes to the Approved Location as Franchisor may reasonably request for that purpose including, without limitation, removal of all physical and structural features identifying or distinctive to the System. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the Approved Location for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee shall pay upon demand.

17.4 Franchisor's Option to Purchase Certain Business Assets

Franchisor has the right (but not the duty), for a period of thirty (30) days after termination or expiration of this Agreement, to purchase any or all assets of the Franchised Business including leasehold improvements, equipment, supplies and other inventory. The purchase price shall be equal to the assets' fair market value as determined by an independent appraiser. If Franchisor elects to exercise this option to purchase, it has the right to set off all amounts due from Franchisee under this Agreement, if any, against the purchase price.

17.5 Brand Damages

If this Agreement is terminated before the expiration of the initial term or any successor term pursuant to Subsection 16.2 above, then Franchisee acknowledges and confirms that Franchisor will suffer and incur substantial damages because this Agreement did not continue for the initial or any successor term's full length. Accordingly, Franchisee agrees to pay Franchisor for all damages, costs, expenses, attorneys' and experts' fees directly or indirectly related thereto, including, without limitation, lost Royalty Fees, lost Marketing Fund Contributions, lost profits, loss of goodwill and damage to the Marks and reputation, lost opportunities, travel and personnel costs, expenses that Franchisor may incur in developing or finding another franchisee to develop a new Sloan's Business in the Area of Primary Responsibility, and any other lost payments or benefits Franchisor would have received for the balance of the initial or successor term after the effective date of termination (collectively, "Brand Damages"). Franchisee further acknowledges and agrees that Franchisee's obligation to pay Brand Damages resulting from early termination shall be in addition to (not in lieu of) Franchisee's post-termination obligations to pay other amounts due as of the date of termination (as contemplated under Subsections 17.1.8 and 17.1.9 above) and to otherwise comply with the entirety of Section 17 hereof, and that the Brand Damages shall not be deemed a penalty for early termination but instead reasonable compensation to Franchisor for Franchisee's failure to perform under this Agreement during the remainder of the initial or successor term.

17.6 Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, including without limitation, Sections 7.1, 17.1, 17.2, 17.3, 17.4, 17.5, 21.3, 22.2, 22.4 and 23, shall continue in full force and effect subsequent to and notwithstanding their expiration or termination and until satisfied or by their nature expire.

18. TRANSFERABILITY OF INTEREST

18.1 Transfer by Franchisor

This Agreement and all rights and duties hereunder are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor hereunder and Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement.

18.2 Transfer by Franchisee to a Third Party

The rights and duties of Franchisee as set forth in this Agreement, and the Franchise herein granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or collective skill and financial ability. Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the Approved Location used in operating the Franchised Business, its assets, or any part or all of the direct or indirect ownership interest in Franchisee or any of Franchisee's owners (if such owners are legal entities) without the prior written approval of Franchisor. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. If Franchisee is in compliance with this Agreement, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

18.2.1 Franchisee has complied with the requirements set forth in Section 19

18.2.2 all obligations owed to Franchisor, and all other outstanding obligations relating to the Franchised Business, are fully paid and satisfied;

18.2.3 Franchisee (and any transferring owners, if Franchisee is a business entity) has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 1, of any and all claims against Franchisor, including its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Agreement or to the transfer of Franchisee's interest herein or to the transfer of Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;

18.2.4 the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

18.2.5 the transferee and, if Franchisor requires, all persons owning any interest in the transferee, have executed the then-current franchise agreement for new franchisees, which may be substantially different from this Agreement, including different Royalty Fee and Marketing Fund Contribution rates and other material provisions, and the franchise agreement then executed shall be for the term specified in such agreement;

18.2.6 the transferee has executed a general release, in a form the same as or similar to the General Release attached as Exhibit 1, of any and all claims against Franchisor and its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Franchisee;

18.2.7 Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise;

18.2.8 Franchisee, or the transferee, has paid to Franchisor a transfer fee in the amount of TEN THOUSAND DOLLARS ($10,000.00) plus any brokers fees and other out-of-pocket expenses we incur ($1,500 of the transfer fee is due—and nonrefundable—when Franchisee notifies Franchisor or asks Franchisor to consider the transfer, and the balance of the transfer fee is due when the transfer is effective);

18.2.9 the transferee, or all holders of a legal or beneficial interest in the transferee, has agreed to be personally bound jointly and severally by all provisions of this Agreement for the remainder of its term by executing a personal guaranty in such form as prepared by Franchisor;

18.2.10 Franchisee has agreed to be bound to the obligations of the new franchise agreement and to guarantee the full performance thereof by the transferee, if required by Franchisor;

18.2.11 the transferee has obtained all necessary consents and approvals by third parties (such as the lessor of the Approved Location) and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;

18.2.12 Franchisee has, and if Franchisee is an entity, all of the holders of a legal and beneficial interest in Franchisee or Franchisee's owners have, executed and delivered to Franchisor a nondisclosure and non-competition agreement in a form satisfactory to Franchisor an in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Exhibit 3;

18.2.13 the transferee agrees that its Designated Manager shall complete, to Franchisor's satisfaction, a training program in substance similar to the initial training described in Section 8.1 prior to assuming the management of the day-to-day operation of the Franchised Business; and

18.2.14 the transferee has obtained all necessary types of insurance as described in Section 15.1

18.3 <u>Transfer to a Controlled Entity</u>

18.3.1 If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

18.3.1.1 the Controlled Entity is newly organized and its charter or articles of formation provides that its activities are confined exclusively to the operation of the Franchised Business;

18.3.1.2 Franchisee or all holders of a legal or beneficial interest in Franchisee own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;

18.3.1.3 all obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied; provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a transfer fee as required pursuant to Section 18.2.8;

18.3.1.4 the Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised Business. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;

18.3.1.5 all holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement;

18.3.1.6 each stock certificate or other ownership interest certificate of the Controlled Entity has conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and

18.3.1.7 copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption.

18.3.2 The term of the transferred franchise shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights.

18.3.3 Franchisee, or the Controlled Entity, has reimbursed Franchisor for Franchisor's reasonable costs incurred in relation to the transfer including, but not limited to, administrative costs and any legal fees and costs.

18.3.4 Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised Business, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.

18.3.5 Notwithstanding anything contained in Section 18.2, Franchisee agrees that the restrictions and conditions to transfer as set forth in this Section shall be inclusive of any ownership interest of Franchisee.

18.4 Franchisor's Disclosure to Transferee

Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto. Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchised Business by an intended transferee identified by Franchisee.

18.5 For-Sale Advertising

Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted hereunder. Franchisor has the right, but not the obligation, to control and prescribe the manner in which Franchisee may advertise to, solicit or otherwise sell the Franchised Business or the rights granted hereunder.

18.6 Transfer by Death or Incapacity

18.6.1 Upon the death or Incapacity of Franchisee (if Franchisee is an individual) or any holder of a legal or beneficial interest in Franchisee (if Franchisee is a business entity), the appropriate representative of such person (whether administrator, personal representative or trustee) shall, within a reasonable time not exceeding one hundred eighty (180) days following such event, transfer such individual's interest in the Franchised Business or in Franchisee to a third party approved by Franchisor. Such transfers, including transfers by will or inheritance, shall be subject to the conditions for assignments and transfers contained in this Agreement, unless prohibited by the laws of the state wherein Franchisee resided, with such choice of law provision being applicable only for this Section 18.6. During such one hundred eighty (180) day period, the Franchised Business must remain at all times under the primary management of a Designated Manager who otherwise meets Franchisor's management qualifications.

18.6.2 Following such a death or Incapacity of such person as described in this Section 18.6, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by Franchisor. Franchisor may charge a management fee as stated in the Confidential Operations Manual from time to time, currently equal to SIX HUNDRED DOLLARS ($600.00) per day, and Franchisor shall be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business.

19. RIGHT OF FIRST REFUSAL

19.1 Submission of Offer

If Franchisee, or any of its owners, proposes to sell or otherwise transfer (including a transfer by death or Incapacity pursuant to Section 18.6) the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder, Franchisee shall obtain and deliver a *bona fide*, executed written offer or proposal to purchase, along with all pertinent documents including any contract or due diligence materials, to Franchisor, except with regards to a sale or transfer to a family member. The offer must apply only to an approved sale of the assets or interests listed above and may not include any other property or rights of Franchisee or any of its owners.

19.2 Franchisor's Right to Purchase

Unless the proposed sale or transfer is to a member of the immediate family of a holder of a legal or beneficial interest in Franchisee, Franchisor shall, for thirty (30) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to purchase the offered assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer. Franchisor's credit shall be deemed at least equal to the credit of any proposed buyer. After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor shall have up to sixty (60) days to close the purchase. Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal.

19.3 Non-Exercise of Right of First Refusal

If Franchisor does not exercise its right of first refusal within thirty (30) days from the date of delivery of all such documents, the offer or proposal may be accepted by Franchisee or any of its owners, subject to Franchisor's prior written approval as required by Section 18.2. Should the sale fail to close within one hundred twenty (120) days after the offer is delivered to Franchisor, Franchisor's right of first refusal shall renew and be implemented in accordance with this Section.

19.4 Sales or Transfers to Family Excepted

If Franchisee, or any of its owners, proposes to sell or otherwise transfer the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder to a member of Franchisee's (or its owners') family, then the terms and conditions of Sections 19.1, 19.2 and 19.3 shall be inapplicable. Nothing in this Section 19.4 shall be construed to relieve Franchisee from full compliance with the terms and conditions of Section 18.2 prior to a sale or transfer to family pursuant to this Section.

20. BENEFICIAL OWNERS OF FRANCHISEE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individuals identified in Exhibit 5 are the sole holders of a legal or beneficial interest (in the stated percentages) of Franchisee.

21. RELATIONSHIP AND INDEMNIFICATION

21.1 Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of Franchisor for any purpose whatsoever. Franchisee may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. During the term of this Agreement, and any extension or renewal hereof, Franchisee shall hold itself out to the public only as a franchisee and an owner of the Franchised Business operating the Franchised Business pursuant to a franchise from Franchisor. Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Approved Location and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchised Business. Any third party contractors and vendors retained by Franchisee to convert or construct the premises are independent contractors of Franchisee alone.

None of Franchisee's employees or other personnel will be considered to be employees or personnel of Franchisor. Neither Franchisee nor any of Franchisee's employees or personnel whose compensation Franchisee pays may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor's employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, provincial, or federal governmental agency. Franchisee (or its Designated Manager) is solely responsible for all employment decisions for the Franchised Business, including hiring, firing, remuneration, personnel policies, training, benefits, and maintaining supervision and discipline, regardless of whether Franchisee received advice from Franchisor on any of these subjects. Franchisor will not have the power to hire or fire Franchisee's employees or personnel. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify certain of Franchisee's employees or personnel for qualification to perform certain functions for the Franchised Business does not directly or indirectly vest in Franchisor the power to hire, fire or control any such employee. Franchisee acknowledges and agrees, and will never contend otherwise, that Franchisee alone will exercise day-to-day control over all operations, activities and elements of the Franchised Business and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee has sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions. Franchisee further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which Franchisee is required to comply with under this Agreement, whether set forth in the Confidential Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchised Business, which Franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising Franchisee's control of the day-to-day operations of the Franchised Business.

21.2 Standard of Care

This Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires Franchisee to obtain Franchisor's written consent or permits Franchisee to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Franchisee or to act subject to any other standard of care limiting Franchisor's right, except as may be provided by statute or regulation.

21.3 Indemnification

To the fullest extent permitted by law, Franchisee shall, at Franchisee's sole cost and expense, defend (with counsel reasonably acceptable to Franchisor), hold harmless, and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including reasonable attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon (a) any personal injury, bodily injury or property damage whatsoever occurring in or at the location of the Franchised Business; (b) any bodily injury to an employee of Franchisee arising out of and in the course of employment of the employee; (c) Franchisee's development, ownership, or operation of the Franchised Business (including any Data Security Event); (d) employment matters in connection with the Franchised Business; (e) Franchisee's breach of the lease for the Approved Location; (f) Franchisee's violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (g) Franchisee's breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate); (h) Franchisee's defamation of Franchisor or the System; (i) Franchisee's acts, errors or omissions committed or incurred in connection with the Franchised Business, including any negligent or intentional acts; (j) Franchisee's infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information, or (k) the acts or omissions of Franchisee or any of Franchisee's owners, officers, directors, employees, or agents. The obligations of this Section 21.3 shall expressly survive the expiration or termination of this Agreement.

21.4 Right to Retain Counsel

Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation or proceeding that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor's exercise of its rights under this Section to take remedial or corrective action, causes any of Franchisee's insurers to refuse to pay a third party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Franchisee agrees to give its full cooperation to the Franchisor Indemnitees in assisting the Franchisor Indemnitees with the defense of any such claim, and to reimburse the Franchisor Indemnitees for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys' fees, within ten (10) days of the date of each invoice delivered by the Franchisor Indemnitees to Franchisee enumerating such costs, expenses and attorneys' fees. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee.

22. GENERAL CONDITIONS AND PROVISIONS

22.1 No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

22.2 Injunctive Relief

As any breach by Franchisee of any of the restrictions contained in Sections 6, 7 and 17 would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated. Franchisor's right to seek injunctive relief will not affect the parties' waiver of jury trial and covenant to arbitrate all disputes in accordance with Section 23.7. Franchisor's rights herein shall include pursuing injunctive relief through arbitration or in state or federal court.

22.3 Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system; (c) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by Registered Mail, return receipt requested. Either party may change its address by a written notice sent in accordance with this Section 22.3. All notices, payments and reports required by this Agreement shall be sent to Franchisor at the following address:

Sloan's Franchise LLC
Attn: President
1652 Mercer Ave.
West Palm Beach, Florida 33401

22.4 Cost of Enforcement or Defense

If Franchisor incurs costs and expenses due to Franchisee's failure to pay when due amounts owed to Franchisor or its Affiliates, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, Franchisee agrees, whether or not Franchisor initiates a formal legal proceeding, to reimburse Franchisor for all of the costs and expenses that Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees and costs.

22.5 Unlimited Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee of five percent (5%) or greater shall be required to execute, as of the date of this Agreement, the Unlimited Guaranty and Assumption of Obligations attached as Exhibit 4, through which such holders agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

22.6 Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

22.7 Entire Agreement

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Franchisee. Franchisee acknowledges that Franchisee is entering into this Agreement as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

22.8 Severability and Modification

Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

Notwithstanding the above, each of the covenants contained in Sections 7 and 17 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Trade Secrets or other Confidential Information or on competition to the maximum extent provided or permitted by law.

22.9 Construction

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

22.10 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

22.11 Timing

Time is of the essence. Except as set forth in Section 22.10, failure to perform any act within the time required or permitted by this Agreement shall be a material breach.

22.12 Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to an Affiliate. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

22.13 Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

22.14 Third-Party Beneficiaries

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

22.15 Multiple Originals

Both parties will execute multiple copies of this Agreement, and each executed copy will be deemed an original.

22.16 Electronic Signatures

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

23. DISPUTE RESOLUTION

23.1 Choice of Law

Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

23.2 Consent to Jurisdiction

Any action brought by either party except those claims required to be submitted to arbitration, shall only be brought in the appropriate state court located in or serving Palm Beach County, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Franchisor where Franchisee is located. This

exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

23.3 Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

23.4 Limitations of Claims

Any claim concerning the Franchised Business or this Agreement or any related agreement will be barred unless an action for a claim is commenced within one (1) year from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

23.5 Limitation of Damages

Except for Franchisee's obligation to indemnify Franchisor for claims under Section 21.3 and to pay Franchisor Brand Damages under Section 17.5, and except for punitive damages available to either party under federal law, Franchisor and Franchisee (and Franchisee's owners) each waive to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees as provided in Section 22.4. Franchisee (and Franchisee's owners) waive and disclaims any right to consequential damages in any action or claim against Franchisor concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Franchisor concerning this Agreement, Franchisee's contract damages shall not exceed and shall be limited to refund of Franchisee's Franchise Fee and Royalty Fees.

23.6 Limited Liability for Franchisor Related Parties.

Franchisee agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, owner, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Franchisor's will have any liability for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement; (ii) any claim against us based on, in respect of, or by reason of, the relationship between Franchisee and Franchisor, or (iii) any claim against Franchisor based on any alleged unlawful act or omission of Franchisor.

23.7 Covenant of Good Faith.

If applicable law implies a covenant of good faith and fair dealing in this Agreement, the parties hereto agree that the covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law will imply the covenant, Franchisee agrees that: (i) this Agreement (and the relationship of the parties hereto that is inherent in this Agreement) grants Franchisor the judgment to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations under this Agreement that may favorably or adversely affect Franchisee's interests; (ii) any judgment Franchisor exercises will be based on Franchisor's assessment of its own interests and balancing those interests against the interests of Franchisor's franchisees generally, and specifically without considering Franchisee's individual interests or the individual interests of any other particular franchisee; (iii) Franchisor will have no liability to Franchisee for the exercise of Franchisor's judgment in this manner, so long as the judgment is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation will substitute its judgment for Franchisor's judgment so exercised.

23.8 Multiple Forms of Agreement.

Franchisee acknowledges and agrees that there may be more than one form of franchise agreement in effect between Franchisor and Franchisor's Sloan's franchisees; those other agreements may contain provisions that may be materially different from the provisions contained in this Agreement; and Franchisee is not entitled to rely on any provision of any other agreement with other Sloan's franchisees whether to establish course of dealing, waiver, or estoppel, or for any other purpose.

23.9 Waiver of Jury Trial

FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM.

23.10 Arbitration

Franchisor and Franchisee agree that all controversies, disputes, or claims between Franchisor and its Affiliates, and Franchisor's and Franchisor's Affiliates'' respective shareholders, officers, directors, agents, and/or employees, and Franchisee (and/or Franchisee's owners, guarantors, affiliates, and/or employees) arising out of or related to:

(1) this Agreement or any other agreement between Franchisee and Franchisor or Franchisee's or Franchisor's respective affiliates;

(2) Franchisor's relationship with Franchisee;

(3) the scope and validity of this Agreement or any other agreement between Franchisee and Franchisor or any provision of such agreements (including the validity and scope of the arbitration obligations under this Subsection 23.7, which the parties acknowledge is to be determined by an arbitrator and not a court); or

(4) any requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Confidential Operations Manual or other communications supplied to Franchisee by Franchisor;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this Subsection 23.7 otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in Palm Beach County, Florida. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except as expressly provided otherwise in the remainder of this Section 23.7 judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Subsection 23.5 above, award any punitive or exemplary damages against either party (Franchisor and Franchisee hereby waiving to the fullest extent permitted by law, except as expressly provided in Subsection 23.5 above, any right to or claim for any punitive or exemplary damages against the other). All aspects of the arbitration, including statements

made and documents produced within the arbitration, will be confidential in nature and will not be admissible in any subsequent legal proceeding.

Except as expressly limited by Subsection 23.4 above, Franchisor and Franchisee agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. Franchisor and Franchisee further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisee or Franchisor. Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished Franchisor's right to seek the recovery of those costs in accordance with Subsection 22.4.

Franchisor and Franchisee agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between Franchisor and its affiliates, and Franchisor's and Franchisor's affiliates' respective shareholders, members, officers, directors, agents, and/or employees, and Franchisee (and/or Franchisee's owners, guarantors, affiliates, and/or employees) may not be consolidated with any other arbitration proceeding between Franchisor and any other person. Notwithstanding the foregoing or anything to the contrary in this Section 23.7 or Subsection 22.8, 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 Subsection 23.7, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 23 (excluding this Subsection 23.7).

Except as expressly provided otherwise in the remainder of this Section 23, despite Franchisor's and Franchisee's agreement to arbitrate, Franchisor and Franchisee each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that Franchisor and Franchisee must contemporaneously submit the Franchisor's and Franchisee's dispute for arbitration on the merits as provided in this Section 23.7.

The provisions of this Section 23.7 are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

24. ACKNOWLEDGMENTS

24.1 Receipt of this Agreement and the Franchise Disclosure Document

Franchisee represents and acknowledges that it has received, read and understands this Agreement and Franchisor's Franchise Disclosure Document; and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement. Franchisee represents and acknowledges that it has received as one document at one time a copy of the form of this Agreement, the exhibits hereto, and the applicable complete Franchise Disclosure Document at least fourteen (14) calendar-days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of Franchisee relating to this Agreement, and the franchise associated therewith.

24.2 Consultation by Franchisee

Franchisee represents that it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Agreement, the business franchised hereby and the prospects for that business. Franchisee represents that it has either consulted with such advisors or has deliberately declined to do so.

24.3 True and Accurate Information

Franchisee represents that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Franchisee acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

24.4 Risk

Franchisee represents that it has conducted an independent investigation of the business contemplated by this Agreement and acknowledges that, like any other business, an investment in a Sloan's Business involves business risks and that the success of the venture is dependent, among other factors, upon the business abilities and efforts of Franchisee. Franchisor makes no representations or warranties, express or implied, in this Agreement or otherwise, as to the potential success of the business venture contemplated hereby.

24.5 No Guarantee of Success

Franchisee represents and acknowledges that it has not received or relied on any guarantee, express or implied, as to the revenues, profits or likelihood of success of the Franchised Business. Franchisee represents and acknowledges that there have been no representations by Franchisor's officers, directors, employees or agents that are not contained in, or are inconsistent with, the statements made in the Franchise Disclosure Document or this Agreement.

24.6 No Violation of Other Agreements

Franchisee represents that its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed this Agreement.

SLOAN'S FRANCHISE LLC:

By:______________________________________

Name printed:______________________________

Title:_____________________________________

FRANCHISEE:_____________________________
(type/print name)

By:______________________________________

Name:_____________________________________

Title:_____________________________________

[or, if an individual]

Signed:___________________________________

Name printed:______________________________

EXHIBIT 1 TO THE FRANCHISE AGREEMENT

GENERAL RELEASE

THIS GENERAL RELEASE is made and given on this ____ day of _______________, 20____ by ____, ("RELEASOR") an individual/corporation/ limited liability company/partnership with a principal address of ____ ___________________________________, in consideration of:

_______ the execution by Sloan's Franchise LLC, a Florida corporation ("RELEASEE"), of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise") granted to RELEASOR by RELEASEE pursuant to that certain Franchise Agreement (the "Franchise Agreement") between RELEASOR and RELEASEE; or

_______ RELEASEE'S consent to RELEASOR'S assignment of its rights and duties under the Franchise Agreement; or

_______ RELEASEE'S consent to RELEASOR'S assumption of rights and duties under the Franchise Agreement; or

_______ RELEASEE'S refund of fifty percent (50%) of the Franchise Fee RELEASOR paid to RELEASEE,

and other good and valuable consideration, the adequacy of which is hereby acknowledged, and accordingly RELEASOR hereby releases and discharges RELEASEE, RELEASEE'S officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), and RELEASEE'S successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, that RELEASOR and RELEASOR'S heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE arising out of or related to the Franchise or the Franchise Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances.

This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE.

IN WITNESS WHEREOF, RELEASOR has executed this General Release as of the date first above written.

RELEASOR:____
(type/print name)

By: ____

Name:____

Title:____
(or, if an individual)

Signed:____

Name printed:____

ACKNOWLEDGMENT

State of ______________________)
) ss
County of ____________________)

On this ____ day of _____________, 20____ before me personally came _________________, known to me to be the same person whose name is signed to the foregoing General Release, and acknowledged the execution thereof for the uses and purposes therein set forth, [and who did swear and say that he/she is the _________________________ (title) of ____ (company name), and he/she has the authority to execute said General Release].

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

____________________________________ (NOTARIAL SEAL)
Notary Public
My Commission expires:

EXHIBIT 2 TO THE FRANCHISE AGREEMENT

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

This "Agreement" made as of the ____ day of _____________, 20____, is by and between ____, ("Franchisee") (d/b/a a Sloan's Franchise) and ____ ("Individual").

W I T N E S S E T H:

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated _______________, 20__ ("Franchise Agreement") by and between Franchisee and Sloan's Franchise LLC ("Company"); and

WHEREAS, Franchisee desires Individual to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement prior to providing Individual access to said Trade Secrets and other Confidential Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such information to compete against Company, Franchisee or any other franchisee of Company in any business (i) that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) ice cream or other products the same as or similar to those provided by Franchisee or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Franchisee, or Company, any affiliate of Company or Company's other franchisees (hereinafter, "Competitive Business"); provided, however, that the term "Competitive Business" shall not apply to any business operated by Franchisee under a Franchise Agreement with Company.

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

1. Trade Secrets and Confidential Information

Individual understands Franchisee possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, recipes, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in Sloan's Businesses that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "Confidential Information" means technical and non-technical information, recipes, ingredients and processes used in or related to Sloan's Businesses that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the Confidential Operations Manual and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisee shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of Individual; (ii) Individual can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by Company or Franchisee as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisee's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets and other Confidential Information.

2. <u>Confidentiality/Non-Disclosure</u>

a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisee to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisee has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) Individual's obligations under paragraph 2(a) of this Agreement shall continue in effect after termination of Individual's relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to communicate Individual's obligations under this Agreement to any future customer or employer to the extent deemed necessary by Franchisee for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Sloan's Business.

3. <u>Non-Competition</u>

a) During the term of Individual's relationship with Franchisee and for a period of two (2) years after the expiration or termination of Individual's relationship with Franchisee, regardless of the cause of expiration or termination, Individual shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, divert or attempt to divert any business or customer of Franchisee to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's trademark "Sloan's" and such other trade names, trademarks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the Company designates to be used in connection with Sloan's Businesses or the Company's uniform standards, methods, procedures and specifications for the establishment and operation of Sloan's Businesses.

b) During the term of Individual's relationship with Franchisee, Individual shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business anywhere within the United States without the express written consent of Franchisee.

c) For a two (2) year period following the term of Individual's relationship with Franchisee, regardless of the cause of termination, Individual shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business within a twenty-five (25) mile radius of Franchisee's Franchised Business or within Franchisee's Area of Primary Responsibility, whichever is greater, or within twenty-five (25) miles of any other Sloan's Business without the express written consent of Franchisee. For purposes of this Agreement, Franchisee's Area of Primary Responsibility is defined as:

____

____

____.

4. <u>Reasonableness of Restrictions</u>

Individual acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisee, Company, and Company's Trade Secrets and other Confidential Information, the Company's business system, network of franchises and trade and service marks, and Individual waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Individual shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. <u>Relief for Breaches of Confidentiality and Non-Competition</u>

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisee and Company immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, Franchisee and Company shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisee and Company may have at law or in equity.

6. <u>Miscellaneous</u>

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisee. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

c) Any action brought by either party, shall only be brought in the appropriate state or federal court located in or serving Palm Beach County, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Company where Franchisee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

d) Individual agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to arbitration, appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

e) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns. Company is an intended third-party beneficiary of this Agreement with the independent right to enforce the confidentiality and non-competition provisions contained herein.

f) The failure of either party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

g) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

i) This Agreement may be modified or amended only by a written instrument duly executed by Individual, Franchisee and Company.

j) The existence of any claim or cause of action Individual might have against Franchisee or Company will not constitute a defense to the enforcement by Franchisee or Company of this Agreement.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Franchisee or Company pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY IS A THIRD PARTY BENEFICIARY TO THIS AGREEMENT AND THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, all being done in duplicate originals with one (1) original being delivered to each party as of the day and year first above written.

WITNESS:	FRANCHISEE:
____________________________________	By:________________________________
	Its:________________________________

INDIVIDUAL:

Signature:___________________________
Name Printed:_________________________

EXHIBIT 3 TO THE FRANCHISE AGREEMENT

NONDISCLOSURE AND NON-COMPETITION AGREEMENT

This "Agreement" made as of the ____ day of _____________, 20_____, is by and between ___________________________________ ("Individual") and Sloan's Franchise LLC ("Company").

W I T N E S S E T H:

WHEREAS, Individual is an owner, officer, director, executive, manager or member of ______________________________ ("Franchisee"); and

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated _____________, 20__ ("Franchise Agreement"), by and between Franchisee and Company; and

WHEREAS, Franchisor grants Franchisee access to certain Trade Secrets and other Confidential Information, which are more particularly described below, under the terms and conditions of the Franchise Agreement; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party or using such information to compete against Company or any other franchisee of Company in any business (i) that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) ice cream or other products the same as or similar to those provided by Franchisee or (ii) in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of Company, any affiliate of Company or Company's other franchisees (hereinafter, "Competitive Business"); provided, however, that the term "Competitive Business" shall not apply to any business operated by Franchisee under a Franchise Agreement with Company.

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

1. Trade Secrets and Confidential Information

Individual acknowledges that in his or her position as an owner, manager, or officer of Franchisee, Individual will have access to and will possess Trade Secrets and other Confidential Information that are important to Franchisor's business and are licensed to Franchisee by Franchisor.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, recipes, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in Sloan's Businesses that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement, "Confidential Information" means technical and non-technical information, recipes, ingredients and processes used in or related to Sloan's Businesses that are not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the Confidential Operations Manual and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisor shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of Individual; (ii) Individual can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by Company as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisor's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisor with respect to the Trade Secrets and other Confidential Information.

2. <u>Confidentiality/Non-Disclosure</u>

a) Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisor to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisor has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) Individual's obligations under paragraph 2(a) of this Agreement shall continue in effect after expiration or termination of the Franchise Agreement, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisor is entitled to communicate Individual's obligations under this Agreement to any future customer or employer to the extent deemed necessary by Franchisor for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Sloan's Business.

3. <u>Non-Competition</u>

a) During the term of the Franchise Agreement and for a period of two (2) years following the expiration or termination of the Franchise Agreement, regardless of the cause of termination, Individual shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, divert or attempt to divert any business or customer of Franchisee's Franchised Business or any other Sloan's Business to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's trademark "Sloan's" and such other trade names, trademarks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the Company designates to be used in connection with Sloan's Businesses or the Company's uniform standards, methods, procedures and specifications for the establishment and operation of Sloan's Businesses.

b) During the term of the Franchise Agreement, Individual shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business anywhere within the United States without the express written consent of Franchisor.

c) For a two (2) year period following the expiration or termination of the Franchise Agreement, regardless of the cause of termination, Individual shall not, directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity, carry on, be engaged in or take part in, render services to, or own or share in the earnings of any Competitive Business within a twenty-five (25) mile radius of Franchisee's Franchised Business or within Franchisee's Area of Primary Responsibility, whichever is greater, or within twenty-five (25) miles of any other Sloan's Business without the express written consent of Franchisor. For purposes of this Agreement, Franchisee's Area of Primary Responsibility is defined as:

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____.

4. Reasonableness of Restrictions

Individual acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Company, and Company's Trade Secrets and other Confidential Information, the Company's business system, network of franchises and trade and service marks, and Individual waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Individual shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

5. Relief for Breaches of Confidentiality and Non-Competition

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Company immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, Company shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Company may have at law or in equity.

6. Miscellaneous

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisor with respect to the subject matter hereof. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

c) Any action brought by either party, shall only be brought in the appropriate state or federal court located in or serving Palm Beach County, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Company where Individual is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

d) Individual agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to arbitration, appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

e) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisor, its subsidiaries, successors and assigns.

f) The failure of either party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

g) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

i) This Agreement may be modified or amended only by a written instrument duly executed by Individual and Company.

j) The existence of any claim or cause of action Individual might have against Company will not constitute a defense to the enforcement by Company of this Agreement.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Company pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, Franchisor has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, all being done in duplicate originals with one (1) original being delivered to each party as of the day and year first above written.

WITNESS:

____

FRANCHISOR:

By:________________________________

Its:________________________________

INDIVIDUAL:

Signature:___________________________

Name Printed:________________________

EXHIBIT 4 TO THE FRANCHISE AGREEMENT

UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _______ day of___________, 20____, in connection with that certain Franchise Agreement of even date herewith (which Franchise Agreement, as may have been modified, amended and/or supplemented in writing, is hereunder called the Franchise Agreement) by and between Sloan's Franchise LLC, as "Franchisor" and ________________________________ as "Franchisee".

For valuable consideration received, and as an inducement to Franchisor to enter into the Franchise Agreement, the undersigned ("Guarantor") hereby unconditionally guarantees to Franchisor: (a) the full and timely performance by Franchisee of the Franchise Agreement and all terms, conditions and covenants thereof, and (b) the payment by Franchisee of royalties and all other sums payable by Franchisee under the Franchise Agreement.

Guarantor agrees that (1) the obligations shall be enforceable against Guarantor without the necessity for any suit or proceedings whatsoever against Franchisee, and without the necessity of any notice of nonpayment, nonperformance or nonobservance or any notice of acceptance of this Guaranty Agreement or any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby expressly waives; (2) immediately upon each and every breach or default of the Franchise Agreement by Franchisee, whether before or during the term of the Franchise Agreement or thereafter (e.g., during any renewal term), without any notice to or demand upon Guarantor. Guarantor will (i) pay to Franchisor the sum or sums in arrears, (ii) pay to Franchisor all damages, including but not limited to any expenses, costs and fees incurred by Franchisor, that may be occasioned by Franchisee's nonperformance, and (iii) comply with or perform all terms and conditions of the Franchise Agreement; (3) no extension, forbearance or leniency extended by Franchisor to Franchisee shall wholly or partially discharge Guarantor hereunder, notwithstanding that Guarantor had no notice of any breach or default of the Franchise Agreement or of any such leniency, forbearance or extension; (4) Franchisor and Franchisee, without notice to or consent by Guarantor, may at any time(s) enter into modifications, renewals, extensions, amendments and/or other agreements respecting the Franchise Agreement, and Guarantor shall not be wholly or partially released thereby, it being intended that Guarantor shall continue as guarantor with respect to the Franchise Agreement as so modified, renewed, extended, amended or otherwise affected and notwithstanding any transfer or assignment of the Franchise Agreement.

The obligations of Guarantor herein shall be co-extensive with those of Franchisee under the Franchise Agreement and shall remain in effect as long as Franchisee's obligations under the Franchise Agreement are in effect, including Franchisee's obligations that expressly or by their nature survive the expiration or termination of the Franchise Agreement until such provisions are satisfied or by their nature expire. This Guaranty Agreement is absolute and unconditioned and shall continue without being affected by any impairment, release or limitation of the liability of Franchisee or its estate in bankruptcy resulting from the operation of any present or future provision of the Bankruptcy Code of the United States or from the decision of any court interpreting the same. Guarantor further agrees to be bound by each and every obligation of Franchisee under the Franchise Agreement, with the same force and effect as if Guarantor were designed in and had executed the Franchise Agreement as Franchisee thereunder.

This Guaranty Agreement is a primary guaranty of payment and performance and shall not be subject to any counterclaim, set-off, deduction or defense. No failure or delay on the part of Franchisor in exercising any right or remedy under the Franchise Agreement and/or this Guaranty Agreement shall operate as a waiver thereof nor shall a single or partial exercise of any right or remedy preclude any other or further exercise thereof, and all rights and remedies of Franchisor hereunder and under the Franchise Agreement shall be cumulative. Until all Franchisee's obligations under the Franchisee are fully performed, Guarantor waives any rights that it may have against Franchisee by reason of Guarantor's compliance with the Guaranty Agreement, and subordinates any liability or indebtedness of Franchisee held by Guarantor to the obligations of Franchisee to Franchisor under the Franchise Agreement.

If Guarantor consists of more than one person and/or entity, (a) this Guaranty Agreement shall be binding on all of them jointly and severally, and (b) notice to or from any of them will constitute notice to or from each of them.

Any notice or other communication to Franchisor may be addressed to Sloan's Franchise LLC, 1652 Mercer Ave., West Palm Beach, Florida 33401, Attention: President, or such other address as may be designated by Franchisor by registered or certified mail, return receipt requested, and the time of rendition of such notice or other communication shall be when it is deposited in an official United States Mail receptacle, postage prepaid.

This Guaranty Agreement, which is to be governed by and construed in accordance with the laws of the State of Florida, shall also bind Guarantor's legal or personal representatives, heirs, successors and assigns (as the case may be) and inure to the benefit of Franchisor's successors and assigns and any other person or entity at any time having the rights of Franchisor under the Franchise Agreement.

Guarantor will forthwith pay to Franchisor all attorneys' fees and disbursements incurred by Franchisor in connection with any breach or default by Franchisee under the Franchise Agreement and/or the enforcement of this Guaranty Agreement, in each instance whether or not suit is brought (and if suit is brought, through appeals and collection efforts).

Any sums not paid to Franchisor when due hereunder will bear interest at the rate of 18% per annum, or the maximum rate permitted by applicable law, if lesser, from the due date until full payment is received by Franchisor.

As a further inducement to Franchisor to make and enter into the Franchise Agreement and in consideration thereof, Guarantor agrees that in any action or proceeding brought on, under or by virtue by this Guaranty Agreement, Guarantor shall and does hereby waive trial by jury and the benefit of any statute of limitations defense, and Guarantor agrees that the applicable courts of Florida may have jurisdiction over Guarantor upon appropriate service on Guarantor anywhere in the United States in a manner in accordance with the laws of Florida. Without limiting the foregoing, Guarantor hereby irrevocably appoints Franchisee as Guarantor's agent for service of process related to this Guaranty Agreement.

The Guaranty Agreement contains the entire agreement between the parties with respect to the matters covered hereby, and Guarantor acknowledges that no agent, representative, salesman or officer of Franchisor has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding to or changing the terms and conditions herein set forth. No customs or dealings between the parties shall be permitted to contradict or modify the terms hereof. This Guaranty Agreement shall not be construed more strictly against one party merely by reason of such party's preparation hereof. If any provision of this Guaranty Agreement shall be held to be invalid or unenforceable, to the maximum extent possible the remaining provisions hereof shall in no way be affected or impaired and such remaining provisions shall continue in full force and affect. Neither this Guaranty Agreement nor any of its provisions can be waived, modified or terminated orally, but only by a written instrument duly executed by or on behalf of the party against whom enforcement of any waiver, modification or termination is sought.

Guarantor fully and expressly intends that the foregoing requirements as to a writing be strictly adhered to and strictly interpreted and enforced by any court which may be asked to consider the matter. This Guaranty shall be effective for the full Franchise Agreement term, including any extensions or renewals thereof.

GUARANTOR:

____

____
Driver's License #

Notice Address: ______________________

____

Witnessed By:

X_____________________________________

Print Name:____________________________

Address:______________________________

EXHIBIT 5 TO THE FRANCHISE AGREEMENT

HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS; DIRECTORS

1. **Form of Ownership.** Franchisee is a (check one):

______________ *Sole Proprietorship*
______________ *Partnership*
______________ *Limited Liability Company*
______________ *Corporation*

State of incorporation / organization / residence: ___________________________

2. **Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

3. **Officers.** If Franchisee is a limited liability company or corporation:

Name	Title

EXHIBIT C

AREA DEVELOPMENT AGREEMENT

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EXHIBITS

SLOAN'S FRANCHISE LLC

AREA DEVELOPMENT AGREEMENT

This Area Development Agreement is made this _________________________ and is by and between Sloan's Franchise LLC, a Florida limited liability company, having its principal place of business at 1652 Mercer Ave., West Palm Beach, Florida 33401 ("Franchisor"), and _____________________________________ ____ ("Developer").

W I T N E S S E T H:

WHEREAS, Franchisor and Developer are concurrently entering into the Initial Franchise Agreement; and

WHEREAS, Developer desires to, and has applied for the right to, develop additional Sloan's Businesses* and has applied for such a right, and Franchisor has approved Developer's application in reliance upon all of the representations made herein and therein.

NOW, THEREFORE, Franchisor and Developer, intending to be legally bound, agree as follows:

DEFINITIONS

Whenever used in this Development Agreement, the following words and terms have the following meanings:

"**Developer**" means the individual or entity defined as "Developer" in the introductory paragraph of this Development Agreement;

"**Development Agreement**" means this Development Agreement titled "Sloan's Franchise LLC Area Development Agreement" and all instruments supplemental hereto or in amendment or confirmation hereof;

"**Development Fee**" has the meaning given to such term in Section 3.2;

"**Development Rights**" means the rights granted to Developer pursuant to this Development Agreement to establish and operate Sloan's Businesses in the Development Territory;

"**Development Schedule**" means the schedule attached as Exhibit 1 setting forth the number and the Opening Dates of Sloan's Businesses to be established pursuant to this Development Agreement;

"**Development Territory**" has the meaning given to such term in Section 2.1;

"**Franchise Agreement**" means the then-currently used form of the Sloan's Franchise LLC Franchise Agreement that Franchisor is offering to new developers;

"**Initial Franchise Agreement**" means that certain Sloan's Franchise LLC Franchise Agreement between Developer and Franchisor whereby Developer is granted the right to establish and operate its first Sloan's Business; and

"**Opening Date**" means any date by which Developer is required to begin operations for each Sloan's Business, as listed in the Development Schedule.

* Capitalized terms not defined in Section 1 or in the text of this Development Agreement are defined in the Initial Franchise Agreement.

DEVELOPMENT RIGHTS

Grant of Development Rights

Franchisor hereby grants to Developer, and Developer undertakes and accepts, upon the terms and conditions of this Development Agreement, the Development Rights to establish and operate not less than _____________ (__) Sloan's Businesses at sites located within a defined geographic area ("Development Territory"). The Development Territory shall be defined by and exist within the following zip codes or other physical, political or natural boundaries:

____

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Retained Rights

Franchisor shall not, so long as this Development Agreement is in force and effect and Developer is not in default under any of the terms hereof or of any Franchise Agreement for any Sloan's Business, establish, own or operate, or license others to establish, own or operate, any Sloan's Business within the Development Territory other than to Developer pursuant to this Development Agreement; provided, however, Franchisor and its Affiliates retain the right:

to continue to own and operate, and allow others to continue to own and operate, Sloan's Businesses existing inside of the Development Territory as of the date of this Development Agreement;

to establish, or grant to others the right to establish, Sloan's Businesses outside of the Development Territory;

to establish and operate, and license others to establish and operate, businesses under other systems using other proprietary marks, both within and outside the Development Territory;

to purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to Sloan's Businesses (and/or acquire franchise, license and/or similar agreements for such businesses), some or all of which may be located anywhere, including within the Development Territory. If Franchisor purchases or acquires franchises or licenses, Franchisor may, in its sole discretion, act as franchisor or licensor with respect to such franchisees or licensees wherever located, pursuant to the individual franchise or license agreement(s) between Franchisor and such franchisee(s) or licensee(s). If Franchisor purchases or acquires such businesses within the Development Territory which are not franchised or licensed, Franchisor may, in its sole discretion:

offer to sell any such businesses to Developer or to any third party at the business's fair market value to be operated as a Sloan's Business; or

offer Developer the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name.

to be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses Competitive Businesses within the Development Territory; and

to engage in any activities not expressly forbidden by this Development Agreement.

DEVELOPMENT FEE AND FRANCHISE FEES

Franchise Fees

Simultaneously, with the execution of this Development Agreement, Developer shall execute the Initial Franchise Agreement and shall pay a Franchise Fee of THIRTY-TWO THOUSAND DOLLARS ($32,000.00) for the first Sloan's Business to be developed pursuant to this Development Agreement. Developer shall execute Franchise Agreements for the additional Sloan's Businesses to be developed on a periodic basis, and shall pay a Franchise Fee of THIRTY-TWO THOUSAND DOLLARS ($32,000.00) for each additional Sloan's Business upon execution of each additional Franchise Agreement.

Development Fee

Upon the execution of this Development Agreement, Developer shall pay a fee ("Development Fee") equal to SIXTEEN THOUSAND DOLLARS ($16,000.00) multiplied by the number of Sloan's Businesses to be developed after the first Sloan's Business pursuant to this Development Agreement. The total amount of the Development Fee to be paid by Developer upon the execution of this Development Agreement is __________________________ THOUSAND DOLLARS ($__________). The Development Fee is fully earned by Franchisor and is nonrefundable; provided, however, that Franchisor shall credit SIXTEEN THOUSAND DOLLARS ($16,000.00) of the Development Fee against the Franchise Fee for the second (2nd) and each subsequent Sloan's Business opened pursuant to, and in accordance with, this Development Agreement, such that the balance due on the Franchise Fee for any Sloan's Business included in the calculation of the Development Fee shall be SIXTEEN THOUSAND DOLLARS ($16,000.00), until such credits equal the Development Fee. In no event shall Franchisor issue an aggregate amount of credit greater than the amount of the Development Fee.

DEVELOPMENT OF FRANCHISED BUSINESS

Minimum Development Obligation

Developer shall strictly follow the Development Schedule set forth in Exhibit 1. Time is of the essence. By the dates set forth within the Development Schedule, Developer shall establish and operate Sloan's Businesses in the number indicated in the Development Schedule. Developer shall at all times continuously maintain in operation, pursuant to each Franchise Agreement, at least the number of Sloan's Businesses required to be operational at such time as set forth in the Development Schedule; provided, however, that such obligation does not apply to Sloan's Businesses that are closed pursuant to Section 22.10.

Developer May Exceed Minimum Development Obligation

During the term of this Development Agreement, Developer may, subject to the terms and conditions of this Development Agreement, develop and operate more Sloan's Businesses in the Development Territory than required by this Development Agreement; provided, however, that Developer shall give Franchisor reasonable assurances that Developer has the required skill, financial resources and managerial skills to perform its duties under this Development Agreement and each Franchise Agreement. Developer shall pay the full Franchise Fee for each additional Sloan's Business developed in excess of the requirements of this Development Agreement, and Franchisor shall not credit any part of the Development Fee against the Franchise Fee for any additional Sloan's Business.

Exercise of Development Rights

Developer shall submit a separate application and enter into a separate Franchise Agreement for each additional Sloan's Business established pursuant to this Development Agreement. Upon approval of the site by Franchisor, as provided in Section 5.1 of the Franchise Agreement, Franchisor shall deliver two (2) copies of the Franchise Agreement along with a copy of its then-current Franchise Disclosure Document. Immediately upon receipt of the Franchise Disclosure Document, Developer shall return to Franchisor a signed copy of the acknowledgment of Receipt of the Franchise Disclosure Document. After any applicable waiting periods have expired, Developer shall execute and deliver to Franchisor two (2) copies of the Franchise Agreement and shall pay the Franchise Fee, less any applicable credit as provided in Section 3.1.

Conditions Precedent to Franchisor's Obligation

Franchisor shall not execute the Franchise Agreement if: (a) Developer is not in compliance with all, or is in default of any, of its obligations under this Development Agreement or any other agreement between Franchisor and Developer; or (b) in the case of each then existing Franchise Agreement, Developer, as Franchisee, is not in compliance with all, or is in default of any, of its obligations under any Franchise Agreement. Franchisor and Developer shall execute the Franchise Agreement for each additional Sloan's Business before the date stated in the Development Schedule that such Sloan's Business must be established and operating.

No Subfranchising by Developer

Developer has no right under this Development Agreement to sublicense, subfranchise, resell, or otherwise transfer any interest in any Franchised Business.

Management Obligations

Each Sloan's Business developed pursuant to this Development Agreement must always be under the direct full-time supervision of Developer. Developer's Designated Managers must devote their full-time efforts (at least 35 hours per week) to the management of the day-to-day operation of the Sloan's Businesses developed pursuant to this Development Agreement.

TERM AND RIGHT OF FIRST REFUSAL

Term

Unless sooner terminated in accordance with the terms of this Development Agreement, the term of this Development Agreement and all Development Rights granted hereunder to Developer shall expire on the last Opening Date as set forth in the Development Schedule. At the end of the term of this Development Agreement, the exclusive Development Rights with respect to the Development Territory will automatically terminate, and Developer shall have no right to renew or extend the term of this Development Agreement.

Developer's Right of Refusal

Following the expiration of this Development Agreement, Franchisor shall have the right to re-evaluate the prospects for the establishment of Sloan's Businesses in the Development Territory, and Franchisor may determine that the Development Territory can be further developed by opening additional Sloan's Businesses in the Development Territory without having an unreasonably adverse effect on the Sloan's Businesses already existing within the Development Territory. During a one (1) year period beginning on the day after the Development Agreement expires, if Franchisor elects to further develop the Development Territory, Developer shall have the right to establish, own and operate any additional Sloan's Businesses Franchisor proposes to locate within the Development Territory, if Developer meets all other terms and conditions stated in this Development Agreement. Franchisor shall give Developer written notice of its proposal to develop additional Sloan's Businesses within the Development Territory and Developer shall have thirty (30) days to accept in writing Franchisor's proposal to own and operate such additional Sloan's Businesses. Developer's ownership and operation of such additional Sloan's Businesses shall be subject to the terms and conditions set forth in Franchisor's written proposal, which may vary in form and substance from the terms, conditions and economics set forth in this Development Agreement. If Developer fails to accept in writing Franchisor's written proposal within such thirty (30) day period (or if Developer fails to comply with the terms of the proposal), then Franchisor shall have the right to establish, own and operate, or license others to establish, own and operate, Sloan's Businesses in the Development Territory.

MARKS AND CONFIDENTIAL INFORMATION

No License Under Development Agreement

Notwithstanding any provision to the contrary under this Development Agreement, this Development Agreement does not grant Developer any right to use the Marks. The right to use the Marks may only be granted by the terms of a Franchise Agreement. Developer shall not use any Mark as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms designs, or symbols, or in any modifying words, terms designs or symbols, or in any modified form, nor may Developer use any Mark in connection with any business or activity other than the business conducted by Developer pursuant to a Franchise Agreements or in any other manner not explicitly authorized in writing by Franchisor.

Confidential Information

Except as hereinafter provided, Developer shall not, during the term of this Development Agreement or at any time thereafter, communicate, divulge or use for the benefit of any other person or entity, any Trade Secrets or other Confidential Information which may be communicated to Developer or of which Developer may learn by virtue of Developer's activities under this Development Agreement. Developer may divulge Trade Secrets and other Confidential Information only to such of its employees as deemed necessary by Developer. At Franchisor's request, Developer shall require its employees and any other person to whom Developer wishes to disclose any Trade Secrets or other Confidential Information to execute a nondisclosure agreement in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Initial Franchise Agreement as Exhibit 2. Such agreements shall remain on file at the offices of Developer and are subject to audit or review as otherwise set forth herein. Franchisor shall be a third party beneficiary with the right to enforce covenants contained in such agreements.

Developer agrees to require and obtain the execution of a nondisclosure agreement in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Initial Franchise Agreement as Exhibit 2, from any holder of a legal or beneficial interest in Developer or any of Developer's owners (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff of Developer. Developer shall procure all such Nondisclosure and Non-Competition Agreements upon execution of this Development Agreement (or, if any individual or entity attains any status identified above after the execution of this Development Agreement, within ten (10) days following such individual or entity's attaining such status) and shall furnish to Franchisor copies of all executed Nondisclosure and Non-Competition Agreements immediately following their execution.

TRANSFERABILITY OF INTEREST

By Franchisor

This Development Agreement and all rights hereunder may be assigned and transferred by Franchisor and, if so, shall be binding upon and inure to the benefit of Franchisor's successors and assigns; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor hereunder and Franchisor shall have no liability for the performance of any obligations contained in this Development Agreement after the effective date of such transfer or assignment.

By Developer

The Development Rights set forth in this Development Agreement are personal to Developer and are granted in reliance upon the personal qualifications of Developer. Developer has represented, and hereby represents, that it is entering into this Development Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights hereunder.

Developer, without Franchisor's prior written consent, by operation of law or otherwise, shall not sell, assign, transfer, convey, give away or encumber any part of its interest in this Development Agreement, its interest in the Development Rights granted hereby, its assets, or any part or all of the direct or indirect ownership interest in Developer or any of Developer's owners (if such owners are legal entities), and shall not offer, permit or suffer the same to be sold, assigned, transferred, conveyed, given away or encumbered in any way. Developer shall not, without the prior written consent of Franchisor, fractionalize any of the Development Rights granted pursuant to this Development Agreement. Any purported sale, assignment, transfer, conveyance, gift or encumbrance of any of Developer's rights herein not having Franchisor's express consent shall be null and void and shall constitute a material default of this Development Agreement.

So long as Developer is in full compliance with this Development Agreement, and should Franchisor not elect to exercise its right of refusal as provided in Section 7.5, Franchisor shall not unreasonably withhold its approval of an assignment or transfer to proposed assignees or transferees if:

Developer has complied with the requirements of Section 7.5;

all obligations owed to Franchisor by Developer are fully paid and satisfied;

Developer (and any transferring owners, if Developer is a business entity) has executed a general release, in a form the same as or similar to the General Release attached to the Initial Franchise Agreement, of any and all claims against Franchisor, including its equity owners, officers, directors and employees, in their corporate and individual capacities including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Development Agreement or to the transfer of Developer's interest herein or to the transfer of Developer's ownership of all or any part of the Development Rights; provided, however, that if a general release is prohibited, Developer shall give the maximum release allowed by law;

the prospective transferee has satisfied Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate its ability to carry out the obligations contained herein and in the Franchise Agreement;

the transferee has executed a general release, in a form the same as or similar to the General Release attached to the Initial Franchise Agreement, of any and all claims against Franchisor and its equity owners, officers, directors and employees, in their corporate and individual capacities, with respect to any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the transferee by Developer;

Developer has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Developer and the prospective transferee relating to the intended sale or transfer of the Development Rights;

Developer, or the transferee, has paid to Franchisor a transfer fee in the amount of TEN THOUSAND DOLLARS ($10,000.00);

the transferee, or all holders of a legal or beneficial interest in the transferee, has agreed to be personally bound jointly and severally by all provisions of this Development Agreement for the remainder of its term;

the transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied; and

Developer has, and if Developer is an entity, all of the holders of a legal and beneficial interest in Developer or Developer's owners have, executed and delivered to Franchisor a non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Initial Franchise Agreement as Exhibit 2.

Transfer by Death or Incapacity

Upon the death or Incapacity (as determined by a court of competent jurisdiction) of Developer or any holder of a legal or beneficial interest in Developer, if Developer is an entity, the appropriate representative of such person (whether administrator, personal representative or trustee) will, within a reasonable time not exceeding one hundred eighty (180) days following such event, transfer such individual's interest herein or transfer such individual's ownership of all or any part of the Development Rights to a third party approved by Franchisor. Such transfers, including transfers by will or inheritance, shall be subject to the conditions for assignments and transfers contained in this Development Agreement.

Public or Private Offerings

If Developer desires to make either a public or a private offering of its securities, prior to such offering and sale and prior to the public release of any statements, data or other information of any kind relating to the proposed offering of Developer's securities, Developer shall secure the written approval of Franchisor, which approval shall not be unreasonably withheld. Developer shall secure Franchisor's prior written approval of any and all press releases, news releases and any and all other publicity, the primary purpose of which is in the public interest in its offering. Only to the extent that written approval has been given by Franchisor may Developer proceed to file, publish, issue and release and make public any data, material or information regarding its securities offering. Any review by Franchisor is solely for its own information, and its approval shall not constitute any kind of authorization, acceptance, agreement, endorsement, approval or ratification of the same, either express or implied; and Developer shall make no oral or written notice of any kind whatsoever indicating or implying that Franchisor or related corporations or persons have any interest in or relationship whatsoever to the proposed offering other than acting as Franchisor. Developer shall indemnify and hold harmless Franchisor and its subsidiaries, and their owners, directors, officers, employees, successors and assigns, from all claims, demands, costs, fees, charges, liabilities or expenses (including attorneys' fees) of any kind whatsoever arising from Developer's offering or information published or communicated and any actions taken with regard thereto.

Franchisor's Right of First Refusal

If Developer or its owners shall at any time determine to sell, assign, transfer, convey, give away or encumber the Development Rights under this Development Agreement or any of their respective ownership interests in Developer, or any of Developer's assets (except in the ordinary course of business), Developer or its owners shall obtain a *bona fide*, executed written offer from a responsible and fully disclosed purchaser and shall submit an exact copy of such offer to Franchisor, and Franchisor shall, for a period of thirty (30) days from the date of delivery of such offer, have the right, exercisable by written notice to Developer, to purchase such interests for the price and on the terms and conditions contained in such offer; provided, however, that Franchisor may substitute cash for any form of payment proposed in such offer and that Franchisor shall have not less than sixty (60) days from the date of delivery of its written notice of intent to purchase to complete such purchase. Franchisor's credit shall be deemed at least equal to the credit of said purchaser. If Franchisor does not exercise this right of first refusal, Developer may complete the sale of such interest, subject to Section 7.2. If such sale, assignment, transfer, conveyance, gift or encumbrance is not completed within one hundred and twenty (120) days after delivery of such offer to Franchisor, Franchisor shall again have the right of first refusal provided herein.

DEFAULT AND TERMINATION

Termination Without Opportunity to Cure

Franchisor has the right to immediately terminate this Development Agreement by delivering a notice to Developer stating that Franchisor elects to terminate this Development Agreement as a result of any of the breaches set forth below:

Developer makes or attempts to make an unauthorized sale, assignment, transfer, conveyance, gift or encumbrance of any part of its interest in this Development Agreement or an ownership interest in Developer;

Developer has made any material misrepresentation or omission in its application for the Development Rights conferred by this Development Agreement;

Developer is convicted of or pleads no contest to a felony or other crime or offense that may adversely affect the goodwill associated with the Marks;

Developer makes any unauthorized use of the Marks or unauthorized use or disclosure of the Confidential Information;

Franchisor has delivered a notice of termination for a Franchise Agreement between Franchisor and Developer in accordance with its terms and conditions, or Developer has terminated a Franchise Agreement without cause;

Developer fails to meet or satisfy any timing requirement or deadline contained in the Development Schedule; or

Developer fails to comply with any other provision of the Development Agreement and does not correct within thirty (30) days after written notice from Franchisor.

Termination With Opportunity to Cure

If Developer fails to comply with any other provision of this Development Agreement, Franchisor may terminate this Development Agreement by delivering notice of termination to Developer stating the reason for termination, provided that Developer shall have the right to cure a breach within thirty (30) days after delivery of Franchisor's notice of termination.

RIGHTS AND DUTIES ON TERMINATION OR EXPIRATION

Loss of Development Rights

Upon termination or expiration of this Development Agreement, the Development Rights granted to Developer under this Development Agreement shall automatically terminate. Developer shall have no additional rights to establish or operate any Sloan's Business for which a Franchise Agreement has not been executed by Franchisor and Developer. No default under this Development Agreement shall constitute a default under any Franchise Agreement between the parties, except to the extent that any default under this Development Agreement constitutes a default under any Franchise Agreement in accordance with the terms of the Franchise Agreement. Notwithstanding the above, the terms and conditions of each Franchise Agreement must be complied with by the Developer thereunder and shall control in determining whether any default exists under such Franchise Agreement.

Amounts Owed to Franchisor

Developer shall immediately pay to Franchisor upon termination or expiration of the Development Agreement any amounts owed by Developer to Franchisor that are then unpaid, plus any interest due.

Confidential Information

Upon termination or expiration of this Development Agreement, Developer and all of its employees, agents or other representatives shall immediately sign a confidentiality agreement, and will cease to use and maintain the absolute confidentiality of any Trade Secrets and other Confidential Information disclosed or otherwise learned or acquired by Developer and shall not use such Trade Secrets and other Confidential Information in any other business or venture.

Covenant Not to Compete

During the term and after the expiration or termination of this Development Agreement, Developer and any owner of a five percent (5%) or greater interest in Developer shall be subject to all of the restrictive covenants set forth in Sections 7.3, 7.4 and 17.2 of the Initial Franchise Agreement, which covenants by this reference are incorporated herein.

Continuing Obligations

All obligations of Franchisor and Developer under this Development Agreement that expressly or by their nature survive the expiration or termination of this Development Agreement, including without limitation, Sections 6.2, 9.2, 9.3, 9.4, 11.3, 12.3, 12.5 and 13 of this Development Agreement, shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Development Agreement and until they are satisfied in full or by their nature expire.

BENEFICIAL OWNERS OF DEVELOPER

Developer represents, and Franchisor enters into this Development Agreement in reliance upon such representation, that the individuals identified in Exhibit 3 as Holders of a Legal or Beneficial Interest are the sole holders of a legal or beneficial interest (in the stated proportions) of Developer.

RELATIONSHIP AND INDEMNIFICATION

Relationship

This Development Agreement is purely a contractual relationship between the parties and does not appoint or make Developer an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of Franchisor for any purpose whatsoever. Developer may not represent or imply to third parties that Developer is an agent of Franchisor, and Developer is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt or any other obligation of Developer. In no event shall this Development Agreement or any conduct pursuant hereto make Franchisor a fiduciary with respect to Developer. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the development of any Sloan's Business pursuant to this Development Agreement. Any third party contractors and vendors retained by Developer for remodeling or construction are independent contractors of Developer alone.

None of Developer's employees or other personnel will be considered to be employees or personnel of Franchisor. Neither Developer nor any of Developer's employees or personnel whose compensation Developer pays may in any way, directly or indirectly, expressly or by implication, be construed to be Franchisor's employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, provincial, or federal governmental agency. Franchisor will not have the power to hire or fire Developer's employees or personnel. Developer acknowledges and agrees, and will never contend otherwise, that Developer alone will exercise day-to-day control over its own operations under this Development Agreement and all operations, activities and elements of the Sloan's Businesses developed pursuant to this Development Agreement and that under no circumstance shall Franchisor do so or be deemed to do so. Developer further acknowledges and agrees, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures which Developer is required to comply with under this Development Agreement do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of Developer's operations under this Development Agreement or any Sloan’s Business developed pursuant to this Development Agreement, which Developer alone controls, but only constitute standards Developer must adhere to when exercising Developer's control of the day-to-day operations of its operations under this Development Agreement and any Sloan’s Business developed pursuant to this Development Agreement.

Standard of Care

This Development Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Development Agreement with respect to certain issues, whenever this Development Agreement requires Developer to obtain Franchisor’s written consent or permits Developer to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Developer or to act subject to any other standard of care limiting Franchisor’s right, except as may be provided by statute or regulation.

Indemnification

Developer shall hold harmless and indemnify Franchisor, its Affiliates, all holders of a legal or beneficial interest in Franchisor and its Affiliates, and all of Franchisor’s and its Affiliates’ officers, directors, executives, managers, employees, agents, successors and assigns (collectively “Franchisor Indemnitees”) from and against all losses, damages, fines, costs, expenses or liability (including attorneys’ fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, that arise from, are based upon or are related to Developer’s (a) development, ownership or operation of any Sloan’s Business; (b) employment matters in connection with the operation of Developer's business under this Development Agreement or any Sloan's Business; (c) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (d) breach of any representation, warranty, covenant, or provision of this Development Agreement or any other agreement between Developer and Franchisor (or any of its Affiliates); (e) defamation of Franchisor or the System; (f) acts, errors or omissions by Developer or any of its officers, directors, employees or agents, committed or incurred in connection with the development of Sloan’s Businesses, including any negligent or intentional acts; or (g) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Confidential Information.

GENERAL CONDITIONS AND PROVISIONS

Superiority of Franchise Agreement

For each Sloan’s Business developed by Developer in the Development Territory, a separate Franchise Agreement shall be executed and any individual franchise fee as prescribed by Franchisor shall be paid to Franchisor. Developer acknowledges that any and all Franchise Agreements executed in connection with an individual Sloan’s Business within the Development Territory are independent of this Development Agreement. The continued existence of any such Franchise Agreement shall not depend on the continuing existence of this Development Agreement. If any conflict shall arise in connection with this Development Agreement and any such Franchise Agreement, the latter shall have precedence and superiority over the former.

No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Developer with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor’s right to demand exact compliance with the terms of this Development Agreement. Waiver by Franchisor of any particular default by Developer shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor’s right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Developer of any terms, covenants or conditions of this Development Agreement.

Injunctive Relief

As any breach by Developer of any of the restrictions contained in Sections 6.1, 6.2, 7.4, 9.3 or 9.4 would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated.

Notices

All notices required or permitted under this Development Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system when accompanied by system-generated confirmation of successful transmission; (c) on the next business day after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five (5) business days after being sent by Registered Mail, return receipt requested. All notices shall be sent to Developer at the address listed on page one (1) of this Development Agreement, or such other address as Developer may designate in writing to Franchisor. All notices, payments and reports required by this Development Agreement shall be sent to Franchisor at the following address unless and until a different address has been designated in writing to Developer:

Sloan's Franchise LLC
Attn: Director of Franchising
1652 Mercer Ave.
West Palm Beach, Florida 33401

Cost of Enforcement or Defense

If Franchisor incurs costs and expenses due to Developer's failure to pay when due amounts owed to Franchisor or its Affiliates, or otherwise to comply with this Development Agreement, Developer agrees, whether or not Franchisor initiates a formal legal proceeding, to reimburse Franchisor for all of the costs and expenses that Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees and costs.

Unlimited Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Developer of five percent (5%) or greater shall be required to execute, as of the date of this Development Agreement, the Unlimited Guaranty and Assumption of Obligations attached as Exhibit 1, through which such holders agree to assume and discharge all of Developer's obligations under this Development Agreement and to be personally liable hereunder for all of the same.

Approvals

Whenever this Development Agreement requires the prior approval or consent of Franchisor, Developer shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Developer may rely, and assumes no liability or obligation to Developer or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Developer in connection with this Development Agreement, or by reason of any neglect, delay or denial of any request for approval.

Entire Agreement

Subject to Section 12.1, this Development Agreement, its exhibits and the documents referred to herein shall be construed together and constitute the entire, full and complete agreement between Franchisor and Developer concerning the subject matter hereof, and shall supersede all prior agreements. No other representation, oral or otherwise, has induced Developer to execute this Development Agreement, and there are no representations, inducements, promises or agreements, oral or otherwise, between the parties that are of any force or effect with respect to the matters set forth in or contemplated by this Development Agreement or otherwise. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished to Developer. No amendment, change or variance from this Development Agreement shall be binding on either party unless executed in writing by both parties.

Severability and Modification

Except as noted below, each paragraph, part, term and provision of this Development Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Development Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Development Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Development Agreement, Franchisor has the right to, at its option, terminate this Development Agreement.

Notwithstanding the above, each of the covenants contained in Sections 6 and 9 shall be construed as independent of any other covenant or provision of this Development Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Confidential Information or on competition to the maximum extent permitted by law.

Construction

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

Force Majeure

Whenever a period of time is provided in this Development Agreement for either party to perform any act, except pay monies to Franchisor, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorist acts, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Development Agreement.

Timing

Time is of the essence. Except as set forth in Section 22.10, failure to perform any act within the time required or permitted by this Development Agreement shall be a material breach.

Further Assurances

Each party to this Development Agreement shall execute and deliver such further instruments, contracts, forms or other documents, and shall perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Development Agreement.

Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Development Agreement is intended, nor shall be deemed, to confer any rights or benefits upon any person or legal entity other than Franchisor or Developer, and their respective successors and assigns.

Multiple Originals

Both parties shall execute multiple copies of this Development Agreement and each executed copy shall be deemed an original.

Electronic Signatures

The counterparts of this Development Agreement and all ancillary documents executed or delivered in connection with this Development Agreement may be executed and signed by electronic signature by any of the parties to this Development Agreement, and delivered by electronic or digital communications to any other party to this Development Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Development Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

DISPUTE RESOLUTION

Choice of Law

Except to the extent this Development Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Development Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law, as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

Consent to Jurisdiction

Any action brought by either party, except those claims required to be submitted to arbitration, shall be brought in the appropriate state or federal court located in or serving Palm Beach County, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. The parties hereby submit to service of process by registered mail, return receipt requested, or by any other manner provided by law. Claims for injunctive relief may be brought by Franchisor where Developer is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Developer by this Development Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

Limitations of Claims

Any claim concerning the Development Rights or this Development Agreement or any related agreement shall be barred unless an action for that claim is commenced within one (1) year from the date on which Developer or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim. Notwithstanding the above, Franchisor's claims attributable to underreporting, failure to pay monies owed and/or indemnification should be subject to applicable state or federal statutes of limitation.

Limitation of Damages

Except for Developer's obligation to indemnify Franchisor for claims under Sections 7.4 and 11.3, Developer (and Developer's owners) and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other, and agree that if there is a dispute with the other, each shall be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees as provided in Section 22.4. Developer (and Developer's owners) waive and disclaims any right to consequential damages in any action or claim against Franchisor concerning this Development Agreement or any related agreement. In any claim or action brought by Developer against Franchisor concerning this Development Agreement, Developer's contract damages shall not exceed and shall be limited to refund of Developer's Development Fee payments.

Limited Liability for Franchisor Related Parties.

Developer agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, owner, entity under common control, ownership or management, vendor, service provider, agent, attorney or representative of Franchisor's will have any liability for (i) any of Franchisor's obligations or liabilities relating to or arising from this Development Agreement; (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Developer and Franchisor, or (iii) any claim against Franchisor based on any alleged unlawful act or omission of Franchisor.

Covenant of Good Faith.

If applicable law implies a covenant of good faith and fair dealing in this Development Agreement, the parties hereto agree that the covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Development Agreement. Additionally, if applicable law will imply the covenant, Developer agrees that: (i) this Development Agreement (and the relationship of the parties hereto that is inherent in this Development Agreement) grants Franchisor the judgment to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations under this Development Agreement that may favorably or adversely affect Developer's interests; (ii) any judgment Franchisor exercises will be based on Franchisor's assessment of its own interests and balancing those interests against the interests of Franchisor's developers and franchisees generally, and specifically without considering Developer's individual interests or the individual interests of any other particular developer or franchisee; (iii) Franchisor will have no liability to Developer for the exercise of Franchisor's judgment in this manner, so long as the judgment is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation will substitute its judgment for Franchisor's judgment so exercised.

Multiple Forms of Agreement.

Developer acknowledges and agrees that there may be more than one form of development agreement in effect between Franchisor and Franchisor's developers; those other agreements may contain provisions that may be materially different from the provisions contained in this Development Agreement; and Developer is not entitled to rely on any provision of any other agreement with other developers whether to establish course of dealing, waiver, or estoppel, or for any other purpose.

Waiver Of Jury Trial

DEVELOPER AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM.

Arbitration

Franchisor and Developer agree that all controversies, disputes, or claims between Franchisor and its Affiliates, and Franchisor's and Franchisor's Affiliates' respective shareholders, officers, directors,

agents, and/or employees, and Developer (and/or Developer's owners, guarantors, affiliates, and/or employees) arising out of or related to:

(1) this Development Agreement or any other agreement between Developer and Franchisor or Developer's or Franchisor's respective affiliates;

(2) Franchisor's relationship with Developer;

(3) the scope and validity of this Development Agreement or any other agreement between Developer and Franchisor or any provision of such agreements (including the validity and scope of the arbitration obligations under this Subsection 13.7, which the parties acknowledge is to be determined by an arbitrator and not a court); or

(4) any requirements, specifications, standards, operating procedures and rules set forth in this Development Agreement or other communications supplied to Developer by Franchisor;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this Subsection 13.7 otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in Palm Beach County, Florida. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except as expressly provided otherwise in the remainder of this Section 13.7 judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Subsection 13.5 above, award any punitive or exemplary damages against either party (Franchisor and Developer hereby waiving to the fullest extent permitted by law, except as expressly provided in Subsection 13.5 above, any right to or claim for any punitive or exemplary damages against the other). All aspects of the arbitration, including statements made and documents produced within the arbitration, will be confidential in nature and will not be admissible in any subsequent legal proceeding.

Except as expressly limited by Subsection 13.4 above, Franchisor and Developer agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Development Agreement, whichever expires earlier. Franchisor and Developer further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Developer or Franchisor. Franchisor reserves the right, but has no obligation, to advance Developer's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished Franchisor's right to seek the recovery of those costs in accordance with Subsection 12.5.

Franchisor and Developer agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between Franchisor and its affiliates, and Franchisor's and Franchisor's affiliates' respective shareholders, members, officers, directors, agents, and/or employees, and Developer (and/or Developer's owners, guarantors, affiliates, and/or employees) may not be consolidated with any other arbitration proceeding between Franchisor and any other person. Notwithstanding the foregoing or anything to the contrary in this Section 13.7 or Subsection 12.9, 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 Subsection 13.7, then the parties agree that this arbitration clause shall not apply to

that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 13 (excluding this Subsection 13.7).

Except as expressly provided otherwise in the remainder of this Section 13, despite Franchisor's and Developer's agreement to arbitrate, Franchisor and Developer each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that Franchisor and Developer must contemporaneously submit the Franchisor's and Developer's dispute for arbitration on the merits as provided in this Section 13.7.

The provisions of this Section 13.7 are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Development Agreement's expiration or termination.

ACKNOWLEDGMENTS

Receipt of this Development Agreement and the Franchise Disclosure Document

Developer represents and acknowledges that it has received, read and understands this Development Agreement and Franchisor's Franchise Disclosure Document, and that Franchisor has accorded Developer ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Development Agreement. Developer represents and acknowledges that it has received as one document at one time a copy of the form of this Agreement, the exhibits hereto, and the applicable complete Franchise Disclosure Document at least fourteen (14) calendar-days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of Developer relating to this Agreement, and the franchise associated therewith.

Consultation by Developer

Developer represents that it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Development Agreement, the business franchised hereby and the prospects for that business. Developer represents that it has either consulted with such advisors or has deliberately declined to do so.

True and Accurate Information

Developer represents that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Developer acknowledges that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

Risk

DEVELOPER REPRESENTS THAT IT HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE BUSINESS CONTEMPLATED BY THIS DEVELOPMENT AGREEMENT AND ACKNOWLEDGES THAT, LIKE ANY OTHER BUSINESS, AN INVESTMENT IN A SLOAN'S BUSINESS INVOLVES BUSINESS RISKS AND THAT THE SUCCESS OF THE VENTURE IS DEPENDENT, AMONG OTHER FACTORS, UPON THE BUSINESS ABILITIES AND EFFORTS OF DEVELOPER. FRANCHISOR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN THIS DEVELOPMENT AGREEMENT OR OTHERWISE, AS TO THE POTENTIAL SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED HEREBY.

No Guarantee of Success

DEVELOPER REPRESENTS AND ACKNOWLEDGES THAT IT HAS NOT RECEIVED OR RELIED ON ANY GUARANTEE, EXPRESS OR IMPLIED, AS TO THE REVENUES, PROFITS OR LIKELIHOOD OF SUCCESS OF ANY SLOAN'S BUSINESS TO BE DEVELOPED PURSUANT TO THIS DEVELOPMENT AGREEMENT. DEVELOPER REPRESENTS AND ACKNOWLEDGES THAT THERE HAVE

BEEN NO REPRESENTATIONS BY FRANCHISOR'S DIRECTORS, EMPLOYEES OR AGENTS THAT ARE NOT CONTAINED IN, OR ARE INCONSISTENT WITH, THE STATEMENTS MADE IN THE UNIFORM FRANCHISE DISCLOSURE DOCUMENT OR THIS DEVELOPMENT AGREEMENT.

No Violation of Other Agreements

Developer represents that its execution of this Development Agreement will not violate any other agreement or commitment to which Developer or any holder of a legal or beneficial interest in Developer is a party.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Development Agreement on the day and year first above written.

SLOAN'S FRANCHISE LLC

By:____

Title:____

Developer:____
(type/print name)

By:____

Title:____

EXHIBIT 1 TO THE
AREA DEVELOPMENT AGREEMENT

DEVELOPMENT SCHEDULE

Franchised Business No.	Opening Date	Cumulative Number to be in Operation

*For each Franchised Business to be established pursuant to this Development Agreement, assign a Business Number, i.e., 1, 2, 3, etc., a date which the Franchised Business is required to be open "Opening Date," and the cumulative number of open Franchised Businesses. The cumulative number shall take into account any Franchised Businesses, which Developer has established or is in the process of opening or that were purchased from a transferring franchisee, as the case may be, prior to entering into this Development Agreement.

EXHIBIT 2 TO THE AREA DEVELOPMENT AGREEMENT

UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS UNLIMITED GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ________ day of____________, 20______, in connection with that certain Development Agreement of even date herewith (which Development Agreement, as may have been modified, amended and/or supplemented in writing, is hereunder called the Development Agreement) by and between Sloan's Franchise LLC as "Franchisor" and ____ as "Developer".

As used herein, "Related Agreement" shall mean any agreement entered into by and between Franchisor and Developer or any Affiliate (as defined in the Development Agreement) in connection with or relating to the Development Agreement.

For valuable consideration received, and as an inducement to Franchisor to enter into the Development Agreement, the undersigned ("Guarantor") hereby unconditionally guarantees to Franchisor and its Affiliates: (a) the full and timely performance by Developer of the Development Agreement and each related Agreement and all terms, conditions and covenants thereof, and (b) the payment by Developer of royalties and all other sums payable by Developer under the Development Agreement and each Related Agreement.

Guarantor agrees that (1) its obligations hereunder shall be enforceable against Guarantor without the necessity for any suit or proceedings whatsoever against Developer, and without the necessity of any notice of nonpayment, nonperformance or nonobservance or any notice of acceptance of this Guaranty Agreement or any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby expressly waives; (2) immediately upon each and every breach or default of the Development Agreement or any Related Agreement by Developer, whether before or during the term of the Development Agreement or any Related Agreement or thereafter (e.g., during any renewal term), without any notice to or demand upon Guarantor, Guarantor will (i) pay to Franchisor or an Affiliate as applicable, the sum or sums in arrears, (ii) pay to Franchisor or an Affiliate, as applicable, all damages, including but not limited to any expenses, costs and fees incurred by Franchisor or an Affiliate, as applicable,, that may be occasioned by Developer's nonperformance, and (iii) comply with or perform all terms and conditions of the Development Agreement and each Related Agreement; (3) no extension, forbearance or leniency extended by Franchisor or any Affiliate to Developer shall wholly or partially discharge Guarantor hereunder, notwithstanding that Guarantor had no notice of any breach or default of the Development Agreement or any Related Agreement or of any such leniency, forbearance or extension; (4) Franchisor or an Affiliate, as applicable, and Developer, without notice to or consent by Guarantor, may at any time(s) enter into modifications, renewals, extensions, amendments and/or other agreements respecting the Development Agreement or any Related Agreement, and Guarantor shall not be wholly or partially released thereby, it being intended that Guarantor shall continue as guarantor with respect to the Development Agreement and each Related Agreement as so modified, renewed, extended, amended or otherwise affected and notwithstanding any transfer or assignment of the Development Agreement or any Related Agreement.

The obligations of Guarantor herein shall be co-extensive with those of Developer under the Development Agreement and each Related Agreement and shall remain in effect as long as Developer's obligations under the Development Agreement and each Related Agreement are in effect, including Developer's obligations that expressly or by their nature survive the expiration or termination of the Development Agreement and each Related Agreement until such provisions are satisfied or by their nature expire. This Guaranty Agreement is absolute and unconditioned and shall continue without being affected by any impairment, release or limitation of the liability of Developer or its estate in bankruptcy resulting from the operation of any present or future provision of the Bankruptcy Code of the United States or from the decision of any court interpreting the same. Guarantor further agrees to be bound by each and every obligation of Developer under the Development Agreement and each Related Agreement, with the same force and effect as if Guarantor were designated in and had executed the Development Agreement and each Related Agreement as Developer thereunder.

This Guaranty Agreement is a primary guaranty of payment and performance and shall not be subject to any counterclaim, set-off, deduction or defense. No failure or delay on the part of Franchisor or any Affiliate in exercising any right or remedy under the Development Agreement, any Related Agreement and/or this Guaranty Agreement shall operate as a waiver thereof nor shall a single or partial exercise of any right or remedy preclude any other or further exercise thereof, and all rights and remedies of Franchisor and each Affiliate hereunder and under the Development Agreement and each Related Agreement shall be cumulative. Until all Developer's obligations under the Development Agreement and each Related Agreement are fully performed, Guarantor waives any rights that it may have against Developer or any Affiliate by reason of Guarantor's compliance with the Guaranty Agreement, and subordinates any liability or indebtedness of Developer held by Guarantor to the obligations of Developer to Franchisor and each Affiliate under the Development Agreement and each Related Agreement.

If Guarantor consists of more than one person and/or entity, (a) this Guaranty Agreement shall be binding on all of them jointly and severally, and (b) notice to or from any of them will constitute notice to or from each of them.

Any notice or other communication to Franchisor may be addressed to: Sloan’s Franchise LLC, 1652 Mercer Ave., West Palm Beach, Florida 33401, Attention: President, or such other address as may be designated by Franchisor by registered or certified mail, return receipt requested, and the time of rendition of such notice or other communication shall be when it is deposited in an official United States Mail receptacle, postage prepaid.

This Guaranty Agreement, which is to be governed by and construed in accordance with the laws of the State of Florida, shall also bind Guarantor's legal or personal representatives, heirs, successors and assigns (as the case may be) and inure to the benefit of Franchisor and its Affiliates and their successors and assigns and any other person or entity at any time having the rights of Franchisor or any Affiliate under the Development Agreement and each Related Agreement.

Guarantor will forthwith pay to Franchisor and/or an Affiliate, as applicable, all attorneys' fees and disbursements incurred by Franchisor and/or an Affiliate, as applicable, in connection with any breach or default by Developer under the Development Agreement or any Related Agreement and/or the enforcement of this Guaranty Agreement, in each instance whether or not suit is brought (and if suit is brought, through appeals and collection efforts).

Any sums not paid to Franchisor or any Affiliate when due hereunder will bear interest at the rate of 18% per annum, or the maximum rate permitted by applicable law, if lesser, from the due date until full payment is received by Franchisor or such Affiliate.

As a further inducement to Franchisor to make and enter into the Development Agreement and in consideration thereof, Guarantor agrees that in any action or proceeding brought on, under or by virtue by this Guaranty Agreement, Guarantor shall and does hereby waive trial by jury and the benefit of any statute of limitations defense, and Guarantor agrees that the applicable courts of Florida may have jurisdiction over Guarantor upon appropriate service on Guarantor anywhere in the United States in a manner in accordance with the laws of Florida.

Without limiting the foregoing, Guarantor hereby irrevocably appoints Developer as Guarantor's agent for service of process related to this Guaranty Agreement.

The Guaranty Agreement contains the entire agreement between the parties with respect to the matters covered hereby, and Guarantor acknowledges that no agent, representative, salesman or officer of Franchisor or any Affiliate has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding to or changing the terms and conditions herein set forth. No customs or dealings between the parties shall be permitted to contradict or modify the terms hereof. This Guaranty Agreement shall not be construed more strictly against one party merely by reason of such party's preparation hereof. If any provision of this Guaranty Agreement shall be held to be invalid or unenforceable, to the maximum extent possible the remaining provisions hereof shall in no way be affected or impaired and such remaining provisions shall continue in full force and affect. Neither this Guaranty Agreement nor any of its provisions can be waived, modified or terminated orally, but only by a written instrument duly executed by or on behalf of the party against whom enforcement of any waiver, modification or termination is sought.

Guarantor fully and expressly intends that the foregoing requirements as to a writing be strictly adhered to and strictly interpreted and enforced by any court which may be asked to consider the matter. This Guaranty shall be effective for the full term of the Development Agreement and each Related Agreement, including any extensions or renewals thereof.

GUARANTOR:

____

____
Driver’s License #

Notice Address: __________________________

____

Witnessed By:

X_______________________________________

Print Name:______________________________

Address:_________________________________

____

EXHIBIT 3 TO THE
AREA DEVELOPMENT AGREEMENT

HOLDERS OF LEGAL OR BENEFICIAL INTEREST
IN DEVELOPER; OFFICERS, DIRECTORS, MANAGERS AND TRUSTEES

1. **Form of Ownership.** Franchisee is a (check one):

______________ *Sole Proprietorship*
______________ *Partnership*
______________ *Limited Liability Company*
______________ *Corporation*

State of incorporation / organization / residence: ___________________________

2. **Owners.** If Franchisee is a partnership, limited liability company or corporation:

Name	Shares or Percentage of Ownership

3. **Officers.** If Franchisee is a limited liability company or corporation:

Name	Title

Exhibit D

FINANCIAL STATEMENTS

SLOAN'S FRANCHISE, LLC
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

RegenBenzMacKenzie

REGEN, BENZ & MACKENZIE, C.P.A.'S, P.C.

INDEPENDENT AUDITORS' REPORT

To the Members of
Sloan's Franchise, LLC
West Palm Beach, Florida

Opinion

We have audited the accompanying financial statements of Sloan's Franchise, LLC (a Florida corporation), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sloan's Franchise, LLC as of December 31, 2023 and 2022, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sloan's Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

NEW YORK CITY ■ 57 WEST 38TH STREET, THIRD FLOOR NEW YORK, NEW YORK 10018 ■ PHONE 212.651.2720 ■ FAX 212.681.6140
LONG ISLAND ■ P.O. BOX 500 ■ 240 BECKWITH AVENUE SOUTHOLD, NEW YORK 11971 ■ PHONE 631.765.1118 ■ FAX 631.765.1755

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

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

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

Regen, Benz & MacKenzie, CPA's P.C.

New York, NY
February 13, 2024

RegenBenzMacKenzie

SLOAN'S FRANCHISE, LLC
BALANCE SHEETS
DECEMBER 31, 2023 AND 2022

ASSETS

	2023	2022
Current Assets:		
Cash	$ 13,098	$ 13,244
Other Assets:		
Due From Related Parties	316,860	301,974
TOTAL ASSETS	$ 329,958	$ 315,218

LIABILITIES AND MEMBERS' EQUITY

	2023	2022
Current Liabilities:		
Accounts Payable	$ 13,407	$ 34,359
Contract Deposits	-	100
Total Current Liabilities	13,407	34,459
Non Current Liabilities:		
SBA Loan	115,800	115,800
Members' Equity	200,751	164,959
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 329,958	$ 315,218

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
REVENUES		
Franchise Fees and Royalty Income	$ 380,486	$ 349,031
OPERATING EXPENSES		
Advertising	5,138	43,150
Payroll and Payroll Taxes	170,537	151,917
Comission Expenses	69,241	-
Insurance	17,827	16,698
Banking Expenses	1,548	1,915
Memberships and Licenses	159	1,439
Computer Expense	1,557	1,105
Office Expenses	192	85
Professional Fees	22,363	22,992
Postage and Delivery	585	183
Business Gifts	-	133
Travel and Entertainment	21,424	19,922
Miscellaneous	27,343	16,931
Total Operating Expenses	337,914	276,470
Total Operating Income	42,572	72,561
Other Income (Expense)		
PPP Loan Forgiveness	-	22,892
Employee Retention Credit	-	5,356
Interest Expense	(6,780)	(1,130)
Total Other Income (Expense)	(6,780)	27,118
NET INCOME	$ 35,792	$ 99,679

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Member Sloan Kamenstein	Member David Kamenstein	Member Minority Interest	Total
Members' Equity, January 1, 2022	$ 32,533	$ 32,533	$ 214	$ 65,280
Net Income	46,849	46,849	5,981	99,679
Members' Equity, December 31, 2022	79,382	79,382	6,195	164,959
Net Income	16,822	16,822	2,148	35,792
Members' Equity, December 31, 2023	$ 96,204	$ 96,204	$ 8,343	$ 200,751

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 35,792	$ 99,679
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Changes in Operating Assets and Liabilities:		
Prepaid Expenses	-	7,989
Accounts Payable	(20,952)	12,288
Contract Deposits	(100)	-
Total Adjustments	(21,052)	20,277
Net Cash Provided by Operating Activities	14,740	119,956
CASH FLOWS FROM FINANCING ACTIVITIES:		
Changes in Financing Liabilities:		
PPP Loan Forgiveness	-	(22,892)
Due To/From Affiliates	(14,886)	(133,141)
Net Cash Used in Financing Activities	(14,886)	(156,033)
Net Decrease in Cash and Equivalents	(146)	(36,077)
Cash and Equivalents, Beginning the Year	13,244	49,321
Cash and Equivalents, End of Year	$ 13,098	$ 13,244

Supplementary Disclosures of Cash Flow Information:

Cash Paid During the Year for:

	2023	2022
Interest Expense	$ 6,780	$ 1,130
Income Taxes	$ -	$ -

See auditor's report and accompanying notes to financial statements.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Sloan's Franchise, LLC ("the Company") was formed on October 13, 2011 in the State of Florida. The Company was organized for the sole purpose of Franchising "Sloan's Ice Cream" nationally. Members' personal liability is limited to their investment in Sloan's Franchise, LLC.

Basis of Accounting

The books and records of the Company are maintained on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. Revenue is recognized when earned and expenses when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Equivalents

Cash and cash equivalents primarily includes balances on deposit in banks, cash on hand, and certificates of deposit with a maturity of three months or less when purchased are included in cash and equivalents. The total cash balances are insured by the FDIC up to $250,000 per bank. At December 31, 2023 the Company had no cash balances in excess of the FDIC insurance limits.

Accounts Receivable

The Company's accounts receivables are reported at face value, without any provisions for estimated losses on receivables recorded. The Company continually monitors the financial condition of its franchisees. The Company has determined that the trade receivable balance as of December 31, 2023 is collectible and any possible bad debt losses are immaterial.

Compensated Absences

Employees of the Company are entitled to paid vacation, sick days and other time off depending on job classification, length of service and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the financial statements. The Company's policy is to recognize the costs of compensated absences when paid to employees.

SLOAN'S FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets

Fixed assets are stated at cost and depreciated on a straight-line basis over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and Fixtures	7 years
Equipment	5 years

Expenditures which substantially increase estimated useful lives of assets are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are returned or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations.

Revenue Recognition

The Company sells individual franchises as well as territory agreements in the form of store development agreements ("SDAs") that grant the right to develop stores in designated areas. Franchise agreements and SDAs typically require the franchisee to pay an initial nonrefundable fee and continuing fees, royalty income and advertising fund fees, based upon a percentage of sales. Initial franchise fee revenue is recognized upon substantial completion of the services required of the Company as stated in the franchise agreement, which is generally upon opening of the respective store. Fees collected in advance are deferred until earned, with deferred amounts expected to be recognized as revenue within one year classified as current deferred income in the balance sheet. Royalty income and advertising income is based on a percentage of franchisee gross sales and is recognized when earned, which occurs at the franchisees' point of sale.

On April 8, 2020, the FASB voted to propose a one-year deferral in the effective date of ASC 606, Revenue from Contracts with Customers. The FASB decided to amend the effective date to annual reporting periods beginning after December 15, 2019 and applicable for Franchisors that are not public business entities that have not yet issued financial statements. The Company has adopted ASC 606 for these financial statements as of January 1, 2020.

Advertising Costs

Advertising costs consist of expenses related to marketing, research and development, innovation, advertising and promotion of the franchise and its products. The Company expenses all advertising costs when incurred. Advertising costs as of December 31, 2023 and 2022 were $5,138 and $43,150, respectively.

Income Taxes

Sloan's Franchise, LLC is recognized as a limited liability company for federal and state income tax purposes. As a limited liability company, items of income and deductions are passed through to the members each year, and the limited liability company pays no federal or state income tax.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accordingly, the financial statements do not include any provisions or benefits for income taxes since taxable income (or loss) passes through to, and is reportable by, the members.

The Company's federal and state income tax returns for 2020 to 2023 are subject to examination by the taxing authorities, generally for three years after they were filed.

NOTE B - FIXED ASSETS, NET

Fixed assets consisted of the following as of December 31:

	2023	2022
Computer Software	$ 19,017	$ 19,017
Furniture and Fixtures	4,293	4,293
	23,310	23,310
Less: Accumulated Depreciation	(23,310)	(23,310)
Fixed Assets, Net	$ -	$ -

Depreciation expense was $0 for the years ended December 31, 2023 and 2022.

NOTE C - FRANCHISE FEES, ROYALTY AND ADVERTISING INCOME

Once a franchisee is approved, a store site is approved, and a franchise agreement is signed, the franchisee will begin to develop the store. Franchisees pay an initial franchise fee for the right to operate a retail store for the franchised brand. The franchisee is required to pay all or part of the initial franchise fee upfront upon execution of the franchise agreement, regardless of when the store is actually opened. Initial franchise fees vary by type of development agreement and geographic area of development, but generally range from $32,000 to $40,000.

In addition to the payment of initial franchise fees, franchisees, pay the Company royalties on a percentage of the gross sales made from each store. Franchise agreements typically require franchisees to pay a royalty of 6.0 % of gross sales.

NOTE C - FRANCHISE FEES, ROYALTY AND ADVERTSING INCOME (CONTINUED)

Franchisees also pay advertising fees, to an advertising fund administered by the Company. Franchisees make weekly contributions, generally 1% of gross sales, to the advertising fund. The advertising fund covers all expenses related to marketing, research and development, innovation, advertising and promotion of the franchise and its products.

Franchise fees, royalty and advertising income consisted of the following as of December 31:

	2023	2022
Franchise Fees	$ 80,000	$ 6,750
Royalty Income	266,966	307,730
Advertising Income	33,520	34,551
Total	$ 380,486	$ 349,031

NOTE D - RELATED PARTY TRANSACTIONS

In the normal course of business, the Company enters into transactions with related parties. Due from affiliates represents the net amount due from related entities that have loaned or borrowed funds to and/or from the Company. There is no interest due on these balances owed.

The balances of due (to) from related parties consisted of the following as of December 31:

	2023	2022
Sloan's Clematis	$ (1,673)	$ (2,300)
Sloan's Rosemary	9,400	9,400
Sloan's Mfg & Distribution	235,044	220,485
Sloan's Mizner Park	(35,300)	(35,300)
Sloan's at the Venetian	(33,250)	(33,250)
Sloan's Downtown	918	918
Sloan's Management	(1,551)	(1,551)
Lord Humphrey	143,272	143,272
Total Due From Related Parties	$ 316,860	$ 301,974

NOTE E - CONCENTRATION OF CREDIT RISK

The Company is subject to credit risk through its accounts receivables consisting primarily of amounts due from franchisees for franchise fees and royalty income. The financial condition of these franchisees is largely dependent upon the underlying business trends of their brands and market conditions within the quick service restaurant industry. This concentration of credit risk is mitigated, in part, by the short-term nature of the franchise fee receivables.

NOTE F – DEBT

On April 9, 2020, the Company received loan proceeds in the aggregate amount of $22,891 (first draw) and on February 2, 2021, the Company received loan proceeds in the aggregate amount of $22,892 (second draw) from Valley National Bank pursuant to the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") enacted March 27, 2020, provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight or 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week or 24-week period.

The portion of the PPP loan that is not forgiven is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Company used the proceeds for purposes consistent with the PPP. The Company received notice that as of March 22, 2021 the first draw loan was fully forgiven and paid in full and on January 21, 2022 the Company received notice that the second draw loan was fully forgiven and paid in full.

On May 21, 2020, the Company received a Small Business Administration (SBA) Loan authorized under Section 7(b) of the Small Business Act, in the amount of $115,900 from Valley National Bank. The loan is payable in monthly installments of $565 and bears interest at the rate of 3.75% per annum. As of March 15, 2022, installment payments have been deferred 30 months from the date of the note. Interest will continue to accrue during the deferment. The installment payments, including principal and interest, of $565 monthly began in November 2022 and the balance of principal and interest will be payable thirty years from the date of the note. Monthly payments will be applied first to interest accrued, and the balance, if any, will be applied to principal. The note is secured by the Company's tangible and intangible property. The Company will use all proceeds of the loan solely as working capital to alleviate the economic injury caused by the disaster occurring in the month of January 2020 and continuing thereafter and to pay Uniform Commercial Code (UCC) lien filing fees and third-party UCC handing charge of $100 which will be deducted from the loan amount. At December 31, 2023 and 2022, $115,800 was outstanding. Interest expense for the year 2023 and 2022 was $6,780 and $1,130, respectively.

The aggregate amounts of principal maturities are as follows:

Year ending December 31,	
2024	$ -
2025	-
2026	-
2027	1,758
2028	2,547
Thereafter	111,495
	$ 115,800

NOTE G - SUBSEQUENT EVENTS

The Company's management has performed subsequent events procedures through February 13, 2024, which is the date the financial statements were available to be issued.

There were no subsequent events requiring adjustments to the financial statements or disclosures as stated herein.

SLOAN'S FRANCHISE, LLC
FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

RegenBenzMacKenzie

REGEN, BENZ & MACKENZIE, C.P.A.'S, P.C.

INDEPENDENT AUDITORS' REPORT

To the Members of
Sloan's Franchise, LLC
West Palm Beach, Florida

Opinion

We have audited the accompanying financial statements of Sloan's Franchise, LLC (a Florida corporation), which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of operations, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sloan's Franchise, LLC as of December 31, 2022 and 2021, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sloan's Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

NEW YORK CITY ■ 57 WEST 38TH STREET, THIRD FLOOR NEW YORK, NEW YORK 10018 ■ PHONE 212.661.2720 ■ FAX 212.681.6140
LONG ISLAND ■ P.O. BOX 500 ■ 240 BECKWITH AVENUE SOUTHOLD, NEW YORK 11971 ■ PHONE 631.765.1118 ■ FAX 631.765.1755

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

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

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

Regen, Benz & MacKenzie, CPA's P.C.

New York, NY
March 27, 2023

RegenBenzMacKenzie

SLOAN'S FRANCHISE, LLC
BALANCE SHEETS
DECEMBER 31, 2022 AND 2021

ASSETS

	2022	2021
Current Assets:		
Cash	$ 13,244	$ 49,321
Prepaid Expenses	-	7,989
Total Current Assets	13,244	57,310
Other Assets:		
Due From Related Parties	301,974	168,834
TOTAL ASSETS	$ 315,218	$ 226,144

	2022	2021
Current Liabilities:		
Accounts Payable	$ 34,359	$ 22,072
Contract Deposits	100	100
Payroll Protection Program (PPP) Loan	-	22,892
Total Current Liabilities	34,459	45,064
Non Current Liabilities:		
SBA Loan	115,800	115,800
Members' Equity	164,959	65,280
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 315,218	$ 226,144

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
REVENUES		
Franchise Fees and Royalty Income	$ 349,031	$ 302,608
OPERATING EXPENSES		
Advertising	43,150	7,221
Bad Debt Expense	-	59,296
Payroll and Payroll Taxes	151,917	159,174
Insurance	16,698	23,291
Banking Expenses	1,915	700
Memberships and Licenses	1,439	394
Computer Expense	1,105	98
Office Expenses	85	181
Penalties	-	25
Professional Fees	22,992	31,043
Postage and Delivery	183	353
Business Gifts	133	881
Travel and Entertainment	19,922	15,486
Miscellaneous	16,931	7,080
Total Operating Expenses	276,470	305,223
Total Operating Income (Loss)	72,561	(2,615)
Other Income (Expense)		
PPP Loan Forgiveness	22,892	22,891
Employee Retention Credit	5,356	-
Interest Expense	(1,130)	-
Total Other Income (Expense)	27,118	22,891
NET INCOME	$ 99,679	$ 20,276

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	Member Sloan Kamenstein	Member David Kamenstein	Member Minority Interest	Total
Members' Equity, January 1, 2021	$ 23,003	$ 23,003	$ (1,002)	$ 45,004
Net Income	9,530	9,530	1,216	20,276
Members' Equity, December 31, 2021	32,533	32,533	214	65,280
Net Income	46,849	46,849	5,981	99,679
Members' Equity, December 31, 2022	$ 79,382	$ 79,382	$ 6,195	$ 164,959

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 99,679	$ 20,276
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Changes in Operating Assets and Liabilities:		
Accounts Receivable	-	59,296
Prepaid Expenses	7,989	-
Accounts Payable	12,288	(47,311)
Total Adjustments	20,277	11,985
Net Cash Provided by Operating Activities	119,956	32,261
CASH FLOWS FROM FINANCING ACTIVITIES:		
Changes in Financing Liabilities:		
Payroll Protection Program (PPP) Loan	-	22,892
PPP Loan Forgiveness	(22,892)	(22,891)
Due To/From Affiliates	(133,141)	(136,024)
Net Cash Used in Financing Activities	(156,033)	(136,023)
Net Decrease in Cash and Equivalents	(36,077)	(103,762)
Cash and Equivalents, Beginning the Year	49,321	153,083
Cash and Equivalents, End of Year	$ 13,244	$ 49,321

Supplementary Disclosures of Cash Flow Information:

Cash Paid During the Year for:		
Interest Expense	$ 1,130	$ -
Income Taxes	$ -	$ -

See auditor's report and accompanying notes to financial statements.

SLOAN'S FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Sloan's Franchise, LLC ("the Company") was formed on October 13, 2011 in the State of Florida. The Company was organized for the sole purpose of Franchising "Sloan's Ice Cream" nationally. Members' personal liability is limited to their investment in Sloan's Franchise, LLC.

Basis of Accounting

The books and records of the Company are maintained on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. Revenue is recognized when earned and expenses when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Equivalents

Cash and cash equivalents primarily includes balances on deposit in banks, cash on hand, and certificates of deposit with a maturity of three months or less when purchased are included in cash and equivalents. The total cash balances are insured by the FDIC up to $250,000 per bank. At December 31, 2022 the Company had no cash balances in excess of the FDIC insurance limits.

Accounts Receivable

The Company's accounts receivables are reported at face value, without any provisions for estimated losses on receivables recorded. The Company continually monitors the financial condition of its franchisees. The Company has determined that the trade receivable balance as of December 31, 2022 is collectible and any possible bad debt losses are immaterial.

Compensated Absences

Employees of the Company are entitled to paid vacation, sick days and other time off depending on job classification, length of service and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the financial statements. The Company's policy is to recognize the costs of compensated absences when paid to employees.

SLOAN'S FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets

Fixed assets are stated at cost and depreciated on a straight-line basis over their estimated useful lives. The estimated useful lives are as follows:

	Years
Furniture and Fixtures	7 years
Equipment	5 years

Expenditures which substantially increase estimated useful lives of assets are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are returned or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations.

Revenue Recognition

The Company sells individual franchises as well as territory agreements in the form of store development agreements ("SDAs") that grant the right to develop stores in designated areas. Franchise agreements and SDAs typically require the franchisee to pay an initial nonrefundable fee and continuing fees, royalty income and advertising fund fees, based upon a percentage of sales. Initial franchise fee revenue is recognized upon substantial completion of the services required of the Company as stated in the franchise agreement, which is generally upon opening of the respective store. Fees collected in advance are deferred until earned, with deferred amounts expected to be recognized as revenue within one year classified as current deferred income in the balance sheet. Royalty income and advertising income is based on a percentage of franchisee gross sales and is recognized when earned, which occurs at the franchisees' point of sale.

On April 8, 2020, the FASB voted to propose a one-year deferral in the effective date of ASC 606, Revenue from Contracts with Customers. The FASB decided to amend the effective date to annual reporting periods beginning after December 15, 2019 and applicable for Franchisors that are not public business entities that have not yet issued financial statements. The Company has adopted ASC 606 for these financial statements as of January 1, 2020.

Advertising Costs

Advertising costs consist of expenses related to marketing, research and development, innovation, advertising and promotion of the franchise and its products. The Company expenses all advertising costs when incurred. Advertising costs as of December 31, 2022 and 2021 were $43,150 and $7,221, respectively.

Income Taxes

Sloan's Franchise, LLC is recognized as a limited liability company for federal and state income tax purposes. As a limited liability company, items of income and deductions are passed through to the members each year, and the limited liability company pays no federal or state income tax.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accordingly, the financial statements do not include any provisions or benefits for income taxes since taxable income (or loss) passes through to, and is reportable by, the members.

The Company's federal and state income tax returns for 2019 to 2022 are subject to examination by the taxing authorities, generally for three years after they were filed.

NOTE B - FIXED ASSETS, NET

Fixed assets consisted of the following as of December 31:

	2022	2021
Computer Software	$ 19,017	$ 19,017
Furniture and Fixtures	4,293	4,293
	23,310	23,310
Less: Accumulated Depreciation	(23,310)	(23,310)
Fixed Assets, Net	$ -	$ -

Depreciation expense was $- for the years ended December 31, 2022 and 2021.

NOTE C - FRANCHISE FEES, ROYALTY AND ADVERTISING INCOME

Once a franchisee is approved, a store site is approved, and a franchise agreement is signed, the franchisee will begin to develop the store. Franchisees pay an initial franchise fee for the right to operate a retail store for the franchised brand. The franchisee is required to pay all or part of the initial franchise fee upfront upon execution of the franchise agreement, regardless of when the store is actually opened. Initial franchise fees vary by type of development agreement and geographic area of development, but generally range from $32,000 to $40,000.

In addition to the payment of initial franchise fees, franchisees, pay the Company royalties on a percentage of the gross sales made from each store. Franchise agreements typically require franchisees to pay a royalty of 6.0 % of gross sales.

NOTE C - FRANCHISE FEES, ROYALTY AND ADVERTSING INCOME (CONTINUED)

Franchisees also pay advertising fees, to an advertising fund administered by the Company. Franchisees make weekly contributions, generally 1% of gross sales, to the advertising fund. The advertising fund covers all expenses related to marketing, research and development, innovation, advertising and promotion of the franchise and its products.

Franchise fees, royalty and advertising income consisted of the following as of December 31:

	2022	2021
Franchise Fees	$ 6,750	$ 16,000
Royalty Income	307,730	256,829
Advertising Income	34,551	29,779
Total	$ 349,031	$ 302,608

NOTE D - RELATED PARTY TRANSACTIONS

In the normal course of business, the Company enters into transactions with related parties. Due from affiliates represents the net amount due from related entities that have loaned or borrowed funds to and/or from the Company. There is no interest due on these balances owed.

The balances of due (to) from related parties consisted of the following as of December 31:

	2022	2021
Sloan's Inc.	$ (2,300)	$ (2,300)
Sloan's Rosemary	9,400	9,400
Sloan's Mfg & Distribution	220,485	87,645
Sloan's Mizner Park	(35,300)	(35,300)
Sloan's at the Venetian	(33,250)	(33,250)
Sloan's Downtown	918	918
Sloan's Management	(1,551)	(1,551)
Lord Humphrey	143,272	143,272
Total Due From Related Parties	$ 301,974	$ 168,834

NOTE E - CONCENTRATION OF CREDIT RISK

The Company is subject to credit risk through its accounts receivables consisting primarily of amounts due from franchisees for franchise fees and royalty income. The financial condition of these franchisees is largely dependent upon the underlying business trends of their brands and market conditions within the quick service restaurant industry. This concentration of credit risk is mitigated, in part, by the short-term nature of the franchise fee receivables.

NOTE F – DEBT

On April 9, 2020, the Company received loan proceeds in the aggregate amount of $22,891 (first draw) and on February 2, 2021, the Company received loan proceeds in the aggregate amount of $22,892 (second draw) from Valley National Bank pursuant to the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") enacted March 27, 2020, provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after eight or 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight-week or 24-week period.

The portion of the PPP loan that is not forgiven is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Company used the proceeds for purposes consistent with the PPP. The Company received notice that as of March 22, 2021 the first draw loan was fully forgiven and paid in full and on January 21, 2022 the Company received notice that the second draw loan was fully forgiven and paid in full.

On May 21, 2020, the Company received a Small Business Administration (SBA) Loan authorized under Section 7(b) of the Small Business Act, in the amount of $115,900 from Valley National Bank. The loan is payable in monthly installments of $565 and bears interest at the rate of 3.75% per annum. As of March 15, 2022, installment payments have been deferred 30 months from the date of the note. Interest will continue to accrue during the deferment. The installment payments, including principal and interest, of $565 monthly began in November 2022 and the balance of principal and interest will be payable thirty years from the date of the note. Monthly payments will be applied first to interest accrued, and the balance, if any, will be applied to principal. The note is secured by the Company's tangible and intangible property. The Company will use all proceeds of the loan solely as working capital to alleviate the economic injury caused by the disaster occurring in the month of January 2020 and continuing thereafter and to pay Uniform Commercial Code (UCC) lien filing fees and third-party UCC handing charge of $100 which will be deducted from the loan amount. At December 31, 2022, $115,800 was outstanding. Interest expense for the year was $1,130.

The aggregate amounts of principal maturities are as follows:

Year ending December 31,	
2023	$ -
2024	-
2025	-
2026	-
2027	1,758
Thereafter	114,042
	$ 115,800

NOTE G - SUBSEQUENT EVENTS

The Company's management has performed subsequent events procedures through March 27, 2023, which is the date the financial statements were available to be issued.

As a result of the spread of the COVID-19 globally, economic uncertainties have arisen which are likely to negatively impact operations. The potential impact is unknown at this time.

There were no additional subsequent events requiring adjustments to the financial statements or disclosures as stated herein.

Exhibit E

OPERATIONS MANUAL TABLE OF CONTENTS

SLOAN'S
FRANCHISE OPERATIONS MANUAL
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ADVERTISING AND MARKETING

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EXHIBIT F

CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

Sweet Sensations of Delray
Attn: David and Debra Olmo
111-B East Atlantic Ave.
Delray Beach, Florida 33444
(561) 303-3912

Sweet Sensations of Doral, LLC
David Olmo
3450 NW 83rd Ave. Suite 132
Doral, Florida 33166
(786) 347-5367

Sweet Sensations of Lauderdale by the Sea
Attn: David and Debra Olmo
112 E Commercial Blvd.
Lauderdale by the Sea, Florida 33308
(954) 368-8546

Sweet Sensations of Uptown Boca, LLC
Attn: David and Debra Olmo
9690 Glades Road, Suite 350
Boca Raton, Florida 33434
(954) 368-8546

Franchisees who had signed franchise agreements as of the end of our last fiscal year but are not yet open:

Kerolos LLC
Attn: Kerolos Gayed
13193 Haptom Club Dr.
Apt. 310
North Royalton, OH 44133
216-650-4941

Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number 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 most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

Riad Moreab
6190 S Amethyst Dr.
Chandler, AZ 85249
937-818-3472
(never opened)

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

EXHIBIT G

STATE ADDENDA TO DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Financial Protection and Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE OFFERING CIRCULAR 14 DAYS PRIOR TO EXECUTION OF AN AGREEMENT.

OUR WEBSITE, WWW.SLOANSICECREAM.COM, 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.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA.

REGISTRATION OF THIS FRANCHISE OFFERING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION.

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES. THIS REQUIREMENT PLACES THE MARITAL ASSETS OF THE SPOUSES DOMICILED IN COMMUNITY PROPERTY STATES – ARIZONA, CALIFORNIA, IDAHO, LOUISIANA, NEVADA, NEW MEXICO, TEXAS, WASHINGTON AND WISCONSIN AT RISK IF YOUR FRANCHISE FAILS.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

   Neither franchisor nor any person or franchise broker in Item 2 of this 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 that association or exchange.

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

   With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

   The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

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

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

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement requires binding arbitration. The arbitration will occur in West Palm Beach, Florida, with the costs being borne equally by Franchisor and Franchisee. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise. See NASAA STATEMENT OF POLICY REGARDING THE USE OF FRANCHISE QUESTIONNAIRES AND ACKNOWLEDGMENTS. https://www.nasaa.org/wp-content/uploads/2022/11/sop-franchise-questionnaires.pdf.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a Multi-Unit Development Agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

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

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

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

Registered agent in the state authorized to receive service of process:

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: ____________________

2. A proposed registration or filing is or will be shortly on file in the following states: ______________________________

3. No states have refused, by order or otherwise to register these franchises.

4. No states have revoked or suspended the right to offer these franchises.

5. The proposed registration of these franchises has not been withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), this Disclosure Document is amended as follows:

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Act.

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.

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The following is added to Item 17:

> The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
>
> You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
>
> The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.
>
> 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.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED

TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In the State of New York only, this Disclosure Document is amended as follows:

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

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

   A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

   B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

   C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

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

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor**":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**": The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

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

3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

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

5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

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

7. Waiver of Exemplary and Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

OHIO ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

SLOAN'S FRANCHISE LLC

March 19, 2024

READ THIS DISCLOSURE DOCUMENT CAREFULLY

The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.

The following disclosure document contains the disclosures required by Ohio law.

In the State of Ohio only, this Disclosure Document is further amended as follows:

The following is added to Item 19:

> **CAUTION**
>
> **Some business opportunity plans have earned this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.**

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

> Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

> Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

(See Exhibit H for Washington Addendum to Disclosure Document and Rider to Franchise Agreement)

EXHIBIT H

STATE ADDENDA TO AGREEMENTS

CALIFORNIA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated __________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a ___________________________ ("Franchisee").

1. **Selection of Site.** Section 5.1 of the Agreement is amended by deleting the following language: "***Franchisor does not represent that it, or any of its Affiliates, owners, employees or agents, have special expertise in selecting sites. Neither Franchisor's assistance nor approval is intended to indicate or indicates that the Franchised Business will be profitable or successful at the Approved Location. Franchisee is solely responsible for identifying the Approved Location.***"

2. **Lease of Approved Site.** Section 5.3 of the Agreement is amended by deleting the following language: "***Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, shall not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisee acknowledges and agrees that Franchisee shall solely rely on its review of any such lease or purchase agreement.***"

3. **Entire Agreement.** Section 22.7 of the Agreement is amended by deleting the following language: Franchisee acknowledges that Franchisee is entering into this Agreement as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

4. **Acknowledgements.** Sections 24.1, 24.2, 24.4, and 24.5 of the Agreement are deleted in their entirety.

5. **Questionnaires.** The Agreement amended to add the following: "No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise."

6. **Fee Deferral.** The Agreement is amended to add the following: "The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a Multi-Unit Development Agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	______________________________
By: ____________________________	By: ____________________________
Name: __________________________	Name: __________________________
Title: ___________________________	Title: ___________________________
Date: ___________________________	Date: ___________________________

CALIFORNIA RIDER TO AREA DEVELOPMENT AGREEMENT

This Rider amends the Area Development Agreement dated __________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a __________________________ ("Developer").

1. **Acknowledgements.** The sections of the Area Development Agreement entitled "Receipt of this Development Agreement and the Franchise Disclosure Document", "Consultation by Developer", Rick", and "No Guaranty of Success" under the article entitled "Acknowledgements" are deleted in their entirety.

2. **Questionnaires.** The Agreement is amended to add the following: "No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise."

FRANCHISOR:	DEVELOPER:
SLOAN'S FRANCHISE LLC	_________________________________
By: ______________________________	By: ______________________________
Name: ____________________________	Name: ____________________________
Title: _____________________________	Title: _____________________________
Date: _____________________________	Date: _____________________________

ILLINOIS RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated ___________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and _______________________________, a ___________________________ ("Franchisee").

1. Governing Law. Illinois law governs the Agreement.

2. Waivers Void. In conformance with Section 41 of the Illinois Franchise Disclosure Act, notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

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

4. Termination/Non-Renewal. Franchisee's rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. Disclaimers. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	___________________________________
By: _______________________________	By: _______________________________
Name: ____________________________	Name: ____________________________
Title: _____________________________	Title: _____________________________
Date: _____________________________	Date: _____________________________

INDIANA RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated ____________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a ____________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Indiana Acts" means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

2. Certain Provisions Modified. Any provision of the Agreement which would have any of the following effects is hereby modified to the extent required for the Agreement to be in compliance with the Indiana Acts:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	______________________________
By: ___________________________	By: ___________________________
Name: _________________________	Name: _________________________
Title: __________________________	Title: __________________________
Date: __________________________	Date: __________________________

MARYLAND RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated ___________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a __________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Registration and Disclosure Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

2. Releases, Estoppels and Waivers of Liability. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The general release required as a condition of renewal shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Disclaimers. 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.

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

5. Jurisdiction. Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction in the State of Maryland.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	_________________________________
By: ______________________________	By: ______________________________
Name: ____________________________	Name: ____________________________
Title: _____________________________	Title: _____________________________
Date: _____________________________	Date: _____________________________

MINNESOTA RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated ____________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a ___________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Minnesota Act" means Minnesota Statutes, Sections 80C.01 to 80C.22.

2. Amendments. The Agreement is amended to comply with the following:

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	________________________________
By: ____________________________	By: ____________________________
Name: __________________________	Name: __________________________
Title: __________________________	Title: __________________________
Date: __________________________	Date: __________________________

NEW YORK RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated __________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a __________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Waivers Not Required. Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Franchisor or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the "New York Franchise Law").

3. Waivers of New York Law Deleted. Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Franchisor with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.

4. Governing Law. Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.

5. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	______________________________
By: ____________________________	By: ____________________________
Name: __________________________	Name: __________________________
Title: ___________________________	Title: ___________________________
Date: ___________________________	Date: ___________________________

NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated ____________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a ___________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Amendments. The Agreement (and any Guaranty Agreement) is amended to comply with the following:

(1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.

(2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee's business.

(3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.

(4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.

(5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.

(6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.

(7) Waiver of Exemplary and Punitive Damages: The parties do not waive exemplary and punitive damages.

(8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.

(9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	______________________________
By: ___________________________	By: ___________________________
Name: _________________________	Name: _________________________
Title: __________________________	Title: __________________________
Date: __________________________	Date: __________________________

OHIO RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated __________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a ___________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "BOPA" means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

2. Applicability of BOPA. Franchisee acknowledges that Franchisor is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of Franchisor constitutes an intent that BOPA apply to the transaction between Franchisor and Franchisee or an admission by Franchisor that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, "disclosure requirements and prohibitions concerning franchising," 16 C.F.R. 436.1 et seq.

3. No Delivery of Goods or Services during Cancellation Period. Franchisor will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

4. Jurisdiction and Venue. In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

5. Cancellation. You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.

6. Agent for Service of Process. The name and address of Franchisor's agent authorized to receive service of process in Ohio is [_____________________].

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	_________________________________
By: ______________________________	By: ______________________________
Name: ____________________________	Name: ____________________________
Title: _____________________________	Title: _____________________________
Date: _____________________________	Date: _____________________________

OHIO
NOTICE OF CANCELLATION

[*Insert Date Agreement Signed by FRANCHISEE*]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following SLOAN'S FRANCHISE LLC's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to Franchisor at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of Franchisor regarding the return shipment of the goods at Franchisor's expense and risk. If you do make the goods available to Franchisor and Franchisor does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to Franchisor, or if you agree to return them to Franchisor and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to SLOAN'S FRANCHISE LLC, at 1652 Mercer Avenue, West Palm Beach, Florida 33401, or send a fax to Franchisor at [*Insert facsimile number*] or an e-mail to Franchisor at [*Insert email address*], not later than midnight of [*Insert date that is five business days after the date above]*.

I hereby cancel this transaction.

FRANCHISEE:

____

By: ___________________________
Name: _________________________
Title: __________________________
Date: __________________________

RHODE ISLAND RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

This Rider amends the Franchise Agreement [*if applicable*: and Area Development Agreement] dated ____________________ (the "Agreement"), between SLOAN'S FRANCHISE LLC, a Florida Limited Liability Company ("Franchisor") and ______________________________, a ___________________________ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Jurisdiction and Venue. Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

3. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	______________________________
By: ______________________________	By: ______________________________
Name: ____________________________	Name: ____________________________
Title: _____________________________	Title: _____________________________
Date: _____________________________	Date: _____________________________

WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT
AND
RIDER TO FRANCHISE AGREEMENT [*if applicable:* AND AREA DEVELOPMENT AGREEMENT]

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

RCW 19.100.180 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.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the 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.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee’s earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor’s earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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

Agreed to by:

FRANCHISOR:	FRANCHISEE:
SLOAN'S FRANCHISE LLC	______________________________
By: ____________________________	By: ____________________________
Name: __________________________	Name: __________________________
Title: __________________________	Title: __________________________
Date: __________________________	Date: __________________________

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

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 SLOAN'S FRANCHISE LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If SLOAN'S FRANCHISE LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Sloan Kamenstein David Wild David Kamenstein Carol Kamenstein	1652 Mercer Avenue, West Palm Beach, Florida 33401	(561) 839-3000

Issuance Date: April 16, 2024

I received a disclosure document dated April 16, 2024, that included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Franchise Agreement (with Attachments)
C. Area Development Agreement (with Attachments)
D. Financial Statements
E. Operations Manual Table of Contents
F. Current and Former Franchisees
G. State Addenda to Disclosure Document
H. State Addenda to Agreements

Signature: ________________________________
Print Name: _______________________________
Date Received: _____________________

Keep This Copy For Your Records

RECEIPT

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Signature: ________________________________
Print Name: _______________________________
Date Received: _____________________

Return This Copy To Us