FRANCHISE DISCLOSURE DOCUMENT



RADWICK FRANCHISING, LLC
A Delaware limited liability company
12300 S. 62 E
Draper, Utah 84020
Telephone (323) 257-5600
brycerademan@spitzrestaurant.com
www.spitz-restaurant.com

We offer franchises for the operation of Spitz restaurants ("**Spitz Restaurants**"**)**, which are upscale fast casual service restaurants offering Mediterranean-style sandwiches, wraps, salads, liquor, beer & wine and catering services. You may sign a Franchise Agreement to operate a single Spitz Restaurant. The total investment necessary to begin operations of a single Spitz Restaurant ranges from approximately $594,250 to $1,210,050. This includes $35,000 that must be paid to us or our affiliate. You may sign an Area Development Agreement under which you must develop and operate a minimum of 2 and up to 8 Spitz Restaurants within a specified period in an area we assign. The total investment necessary to begin operation of 2 and up to 8 Spitz Restaurants ranges from approximately $1,168,500 to $9,285,400. This includes $65,000 to $125,000 that must be paid to us or our affiliate for 2 Spitz Restaurants and $245,000 for 8 Spitz Restaurants. You will pay $30,000 (payable to us or our affiliate) for each additional Spitz Restaurant you agree to develop under the Area Development Agreement. You may sign a Franchise Agreement to operate a single Spitz food truck (a "Mobile Restaurant"**)** in a defined geographic area or a Non-Traditional Outlet. The total investment necessary to begin operations of a single Mobile Restaurant or Non-Traditional Outlet ranges from approximately $217,750 to $285,050. This includes $35,000 that must be paid to us or our affiliate. You may purchase an open and operating Spitz Restaurant (an "Operating Spitz Restaurant"**)** from our affiliate and sign a Franchise Agreement. The total investment necessary to begin operations of an Operating Spitz Restaurant ranges from approximately $279,550 to $906,550. This includes $249,000 to $791,000 that must be paid to us or our affiliate. An Operating Spitz Restaurant will not be offered or sold to any Maryland resident or for operation in Maryland by a franchisee.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read the 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 payments to the Franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact our President, Bryce Rademan, 12300 S. 62 E., Draper, Utah 84020, (323) 839-0389, brycerademan@spitzrestaurant.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 accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "**A Consumer's Guide to Buying a Franchise**"**,** which can help you understand how to use this Disclosure Document is available from the Federal Trade Commission.

You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 16, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit M.
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 K 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 Spitz 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 Spitz franchisee?	Item 20 or Exhibit M 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 L.

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 requires you to resolve disputes with us by litigation only in Utah. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to sue us in Utah than in your own state.

2. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **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.

4. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments, may result in termination of your franchise and loss of your investment.

5. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

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.

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

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

(B) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives 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 of other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

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

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

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

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

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

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

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

(H) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants 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 service.

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

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE DEPARTMENT, 670 LAW BLDG., LANSING, MICHIGAN 48913, (517) 373-7117.

RADWICK FRANCHISING, LLC
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ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Radwick Franchising, LLC. Radwick Franchising, LLC, a Delaware limited liability company ("**We"** or "**Franchisor**"), was organized as a California limited liability company on September 20, 2013 and converted to a Delaware limited liability company on December 29, 2017. We are the franchisor for the Spitz Restaurant franchise. To simplify the language in this Disclosure Document, "**Franchisor,**" "**we**" and "**us**" means Radwick Franchising, LLC. "**You**" or "**Franchisee**" means the business entity, person or persons who sign the Franchise Agreement. The names and addresses of our agents for service of process appear in **Exhibit L** to this Disclosure Document.

Franchisor's Parents, Predecessors and Affiliates. We have no predecessor or parent companies. Our affiliate, Radwick Enterprises LLC, a California limited liability company (the "**Operating Company**"), was organized on June 14, 2005. The Operating Company operates 5 Spitz Restaurants, one at each of the following 5 addresses: 2506 Colorado Boulevard, Los Angeles, California 90041; 371 E. 2nd Street, Los Angeles, California 90012; 1725 Hillhurst Avenue, Los Angeles, California 90027; 3737 Cahuenga Boulevard, Studio City, California 91604; and 2103 N. Killingsworth Street, Portland, Oregon 97217. The Operating Company has never offered franchises in any line of business or sold goods or services to our franchisees. The Operating Company's and our principal business address is 1725 Hillhurst Ave, Los Angeles, California 90027. We began offering Spitz franchises in November 2013. We have never offered franchises in any other line of business. As of December 31, 2025, there are four company-owned restaurants in operation.

The Spitz Franchise. We have developed the Spitz system ("**Spitz System**") for the operation of fixed location restaurants and food trucks which all use the same trade name "**Spitz**" and other related trademarks, service marks, logos and commercial symbols (collectively, the "**Spitz Marks**"). A traditional, "bricks and mortar" Spitz restaurant offers Mediterranean-style sandwiches, wraps, salads, liquor, beer and wine in a fast casual format (orders placed at a counter and delivered to the table), and catering services (a "**Spitz Restaurant**"). You may purchase a Spitz Restaurant franchise to operate a single Spitz Restaurant at a location which you choose and which we accept (the "**Franchised Location**") under a Franchise Agreement (Exhibit A). If you qualify, you may purchase an Area Development Agreement (Exhibit B) to develop Spitz Restaurants in a defined area we assign to you (the "**Development Area**") within which you, as an area developer ("**Area Developer**"), must develop and operate 2 to 8 Spitz Restaurants according to a specified schedule. The Development Area may be one city, one or more counties, or some other defined geographic area. For each Spitz Restaurant you open under the Area Development Agreement, you must sign a separate Franchise Agreement on our then-current form after we accept the site for the Spitz Restaurant. The form of Franchise Agreement may be different than the form of Franchise Agreement included in this Disclosure Document or attached as an Exhibit to your Area Development Agreement. You may purchase in conjunction with a traditional Spitz Restaurant franchise, in our discretion, a Spitz System franchise for one food truck (a "**Mobile Restaurant**"), which you may operate only within a geographic area we will assign to you (the "**Mobile Territory**"). You must purchase a new or used food truck (a "**Food Truck**") for your Mobile Restaurant. You must sign a separate Franchise Agreement and Mobile Addendum (Exhibit E) for each Mobile Restaurant you will operate. If you decide to add a Mobile Restaurant after you open your Spitz Restaurant at the Franchised Location, you must sign our then-current form of Franchise Agreement and Mobile Addendum that we are then offering to new franchisees, which may contain terms and conditions that are materially different from the forms attached to this Disclosure Document as Exhibit A and Exhibit E.

We may also franchise, and the Operating Company may operate, a Spitz Restaurant to operate in a non-traditional venue that is not a typical in-line or stand-alone store location. "**Non-Traditional Venue**" mean a broad variety of atypical sites, including a site or location within a captive market site, another

primary business or in conjunction with other businesses or at institutional settings including office buildings and business complexes, arenas, stadiums and entertainment venues, health clubs and recreational facilities, airports, train and bus stations, toll road facilities and other transportation terminals and related facilities, food service fulfillment centers, educational, medical, governmental and other types of institutional facilities, restaurant-in retail locations or restaurant-in restaurant (for example, a restaurant within a grocery store), food courts operated by a master concessionaire and any site for which the lessor, owner or operator limits the operation of its food service facilities to a master concessionaire or contract food service provider. If we offer to franchise a Non-Traditional Venue Spitz Restaurant to you, you must sign a Franchise Agreement and a **"Non-Traditional Venue Addendum"** in substantially the form included in Exhibit E. We may require that the owner or operator (the "**Host**") of the venue (the **"Host Facility"**) consent in writing to allow you to operate the Spitz Restaurant. We must review your lease or agreement with the Host for the Host Facility before we accept the allocated space in the Host Facility as the Franchised Location.

Mobile Restaurants and Non-Traditional Venue Restaurants may offer a different menu and may not offer delivery, catering or other services offered by a traditional Spitz Restaurant, as we may approve in advance.

Purchase Program. The Operating Company may offer to sell you a company-owned Spitz Restaurant that is open and operating (an "**Operating Restaurant**"**)**. If you agree to purchase the assets of the Operating Restaurant on terms and conditions and at the price on which you and the Operating Company mutually agree, you will sign an Asset Purchase Agreement in substantially the form of **Exhibit C** to this Disclosure Document (the "**Asset Purchase Agreement**"**)** and will sign a Franchise Agreement to operate the Operating Restaurant and an Addendum to Franchise Agreement for Purchase of Operating Spitz Restaurant (Exhibit E to the Franchise Agreement) (the "**Purchase Addendum**"**)** that will change certain terms of the Franchise Agreement to apply to an Operating Restaurant. The Franchise Agreement and Purchase Addendum take effect when you close on the purchase of the Operating Restaurant assets, pay the purchase price and franchise fees due at closing, and assume the liabilities specified in the Asset Purchase Agreement.

We may require and condition the sale of a Franchise Agreement or an Area Development Agreement on the signing of personal guarantees in substantially the form attached as Exhibit C to the Franchise Agreement by some or all of the individuals holding an equity interest in the Franchisee or Area Developer.

If you are signing your Franchise Agreement upon the expiration of the term of an existing Franchise Agreement, the terms, fees, conditions and requirements of the successor Franchise Agreement may be different from the terms of the existing Franchise Agreement.

All provisions of our Franchise Agreement will apply to a Mobile Restaurant unless otherwise stated in the Mobile Addendum. All references to a "**Spitz Restaurant**" in this Disclosure Document mean a traditional "**brick and mortar**" Spitz Restaurant and a Mobile Restaurant unless the context indicates otherwise.

Competition. The traditional Spitz Restaurant is located on a major thoroughfare or in or adjacent to a retail shopping center. Mobile Restaurants will travel throughout their Mobile Territory. You will compete in the fast casual restaurant segment generally and with independent local restaurants, regional or national chain outlets and food trucks, some of which specialize in Mediterranean style food products, offering take-out service, catering and full service as well as with other restaurants and take-out facilities selling other kinds of cuisine or specialty foods. You may also compete with other franchised and company-owned Spitz Restaurants. The fast casual restaurant market is well developed and highly competitive, with

new concepts and cuisines entering the market continuously. Our Spitz Restaurants are generally not subject to seasonal traffic fluctuations.

Special Industry Regulation. Federal, state and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your Spitz Restaurant, including those which (a) establish general standards, specifications and requirements for the construction, design and maintenance of the Spitz Restaurant premises; (b) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for restaurants; employee practices concerning the storage, handling, cooking and preparation of food; restrictions on smoking; availability of and requirements for public accommodations, including restrooms; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for life safety (fire and other perils) and general emergency preparedness; (e) govern the use of vending machines; (f) control the sale of alcoholic beverages; and (g) regulate the proper use, storage and disposal of waste, cleaning products, rodenticides, insecticides, and other hazardous materials. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Spitz Restaurant and should consider their effect on your Restaurant.

The state where you operate your Mobile Restaurant may require each driver to obtain a commercial driver's license to drive the Food Truck, which may depend on the size, weight, brake system and number of axles of the vehicle. You are encouraged to check with your state department of motor vehicles for more information. The jurisdictions in your Mobile Territory may have additional requirements for operating Food Trucks, which may include a designated home base where the Food Truck is cleaned, stocked, serviced and stored when not in service (a "**Food Truck Service Center**"). A Food Truck Service Center facility will typically provide you with a resource to purchase mobile supplies not stocked at your Spitz Restaurant, a designated parking space, truck cleaning facilities and power and water services. Many Food Truck Service Centers also have on-site mechanical repair shops. The Food Truck Service Center will charge you a daily, weekly, or monthly service fee for these services. Food preparation will be handled at your Spitz Restaurant. We will not allow you to operate a Food Truck unless you have a traditional Spitz Restaurant open and operating at the same time, as the Spitz Restaurant must serve as the commissary for the Food Truck.

Traditional Spitz Restaurants serve alcoholic beverages unless the state and local regulations prohibit the sale at the Franchised Location. State alcoholic beverage regulatory authorities administer and enforce laws and regulations that govern the sale of alcoholic beverages. Some jurisdictions involve local authorities in regulating the sale of alcoholic beverages. We require you to use your best efforts to also obtain a license to sell beer, wine and spirits (collectively, a "**Liquor License**") and comply with all applicable state and local laws, rules and regulations. You must confirm in your request for us to accept a proposed Franchised Location whether you are able to obtain a full Liquor License at the location. We may reject a proposed Franchised Location if you cannot obtain a full Liquor License at the location.

You must comply with all local, state, and federal laws that apply to your Spitz Restaurant including health, sanitation, life safety, occupational health and safety for employees, smoking, labor and employment, tip reporting, and other laws governing workplaces and restaurants. The Americans with Disability Act of 1990 and the related Accessibility Regulations, as well as similar state and local codes, require readily accessible accommodation for persons with disabilities and may affect your building construction, site elements, entrance ramps, doors, seating, bathrooms, drinking facilities, and any other measures necessary to provide access to the goods, service, facilities, privileges, advantages or accommodations to the public. You must obtain all required construction permits, certificates of use and occupancy, licenses and operational licenses. You must comply with all menu and menu board labeling laws and rules requiring restaurant operators to disclose certain calorie or other nutritional information about the foods they sell, including, for example, the FDA's rule titled Nutrition Labeling of Standard Menu

items in Restaurants and Similar Food Establishments. You should consult with your attorney concerning these and other local laws and ordinances that may affect your Spitz Restaurant.

The Payment Card Industry Data Security Standard ("**PCI DSS**") requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment. PCI DSS applies to all organizations or merchants, regardless of size or number of transactions, that accepts, transmits or stores any cardholder data.

ITEM 2
BUSINESS EXPERIENCE

President: Bryce Rademan. Bryce Rademan has been our President since September 2013, and he has served as the President of the Operating Company since June 2005. He is located in Draper, Utah.

Vice President: Robert Wicklund. Robert Wicklund has been our Vice President since September 2013 and the Vice President of the Operating Company since June 2005. He is located in Los Angeles, California.

Chief Financial Officer: Grant Puster. Grant Puster has been our Chief Financial Officer since July 2024. He works remotely through our office in Draper, Utah. He was previously a Financial Controller at Lightspeed HQ from November 2020 through May 2024.

Manager of Operations: Jordan Bernhardt. Jordan Bernhardt has been our Manager of Operations since October 2017, and is located in Los Angeles, California.

Creative Director: Devon Paulson. Devon Paulson has been our Creative Director since July 2017, and is located in Los Angeles, California.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Single Restaurant. An initial franchise fee (the "**Initial Franchise Fee**") of $35,000 is payable when you sign the Franchise Agreement for your Spitz Restaurant. If you sign a successor Franchise Agreement at the expiration of an existing Franchise Agreement term, you will pay a Successor Franchise Fee in lieu of an Initial Franchise Fee as provided in your existing Franchise Agreement.

Area Development. Each Area Development Agreement requires that you pay an Initial Franchise Fee of $35,000 for the first Spitz Restaurant and an Initial Franchise Fee of $30,000 for each additional Spitz Restaurant you agree to develop and open. In addition to paying the full Initial Franchise Fee for your first Spitz Restaurant when you sign the Area Development Agreement and the Franchise Agreement for that restaurant, you must pay us a development fee (the "Development Fee") of $15,000 per additional

Spitz Restaurant to be developed when you sign the Area Development Agreement. You must commit to develop and open 2 Spitz Restaurants, and you may commit to open as many as 8 Spitz Restaurants in the Area Development Agreement. The number of Spitz Restaurants will be set when you sign the Area Development Agreement. The minimum amount due at signing is $50,000 and the maximum due at signing is $160,000 unless you agree to develop more than 8 Spitz Restaurants. The total minimum Development Fees and Initial Franchise Fees you commit to pay is $65,000 and the maximum total you commit to pay is $245,000 unless you agree to develop more than 8 Spitz Restaurants. You must sign a separate Franchise Agreement for each additional Spitz Restaurant to be opened under the Area Development Agreement, usually when you have proposed, and we have accepted a Franchised Location, and then pay us the balance of the Initial Franchise Fee, generally $15,000, after giving you credit for the Development Fee paid for that Spitz Restaurant, (not to exceed a credit of $15,000 for any single Spitz Restaurant). If you signed an earlier form of Area Development Agreement which differs from our current form, your Initial Franchise Fee will be determined by your Area Development Agreement. All Area Development Agreements signed in 2025 required payment of Development Fees and Initial Franchise Fees using this formula.

Mobile and Non-Traditional Venue Restaurants. An Initial Franchise Fee of $35,000 is payable when you sign the Franchise Agreement and Mobile Addendum or Non-Traditional Venue Addendum for each Mobile Restaurant or Non-Traditional Venue.

Purchase Program. You must pay us an Initial Franchise Fee of $35,000 for an Operating Restaurant when you complete the asset purchase transaction and take possession of the Operating Restaurant, which will be open and operating. We may waive or reduce the Initial Franchise Fee if you are the manager of the Operating Restaurant while it is owned by the Operating Company. You must also pay us the purchase price for the assets of an Operating Restaurant, which will generally range from $200,000 to $700,000 and pre-paid rent and security deposits that will generally range from $14,000 to $56,000 when you take possession. These amounts may vary depending on the finances of each Operating Restaurant and the closing terms and conditions of the Asset Purchase Agreement. You may also agree to assume certain liabilities as part of the purchase transaction. You may be asked to sign the Purchase Agreement and the Franchise Agreement in advance of closing, but no franchise fees will be payable until you purchase and take possession of the Operating Restaurant.

Refunds, Different Fees and Financing. The Initial Franchise Fee and Development Fee are fully earned by us when paid and are not refundable under any circumstances. The Operating Company sold one Spitz Restaurant located in California in a transaction that closed on January 1, 2025, wherein no Initial Franchise Fee was charged to the Spitz Restaurant manager who became the franchisee. The Operating Company sold three (3) additional Spitz Restaurants located in California in transactions that closed in September 2025, in which the Initial Franchise Fees were each One Dollar ($1.00) and the franchisees were managers of the Spitz Restaurants sold in the transaction. In 2025, the Initial Franchise Fees paid to us ranged from no Initial Franchise Fee for the franchise of the former Affiliate Spitz Restaurant to $35,000. All Development Fees were paid at the standard formula amounts.

ITEM 6
OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty Fee	6% of "Gross Revenue" or $125 per week, whichever is greater. We may increase this percentage up to 7.5% and the minimum up to $200 if you cannot obtain a full Liquor License. See Note 2	Tuesday of each week on the Gross Revenue of the Spitz Restaurant during the previous week (Opening Monday to Closing Sunday).	"Gross Revenue" includes all revenue from your Spitz Restaurant operations. Gross Revenue does not include bona fide refunds paid to customers, any sales or use taxes actually paid to any governmental authority, the retail price of any gift cards. coupons, gift certificates and vouchers when they are sold, and gratuities paid over to employees. Gift cards are included in Gross Revenue when redeemed.
Marketing Fund Fee	Up to 2% of Gross Revenue. (Currently Not Assessed)	Established by us.	We may, upon 90 days' notice to all franchisees, require you to contribute up to 2% of Gross Revenue to the Marketing Fund, if and when established. We currently do not collect this fee. The activation date and initial rate for the Marketing Fund Fee may occur in our discretion.
Cooperative Advertising	As determined by each Co-Op Advertising Region; but not to exceed 2% of Gross Revenue. (Currently Not Assessed)	Established by us.	You must contribute to the Co-Op if we establish a Co-Op Advertising Coverage Area for the region where your Spitz Restaurant is located. You, and we or our affiliate, will have 1 vote for each Spitz Restaurant located within each Co-Op Advertising Coverage Area.

Name of Fee	Amount	Due Date	Remarks
Social Media and Local Advertising Costs	Currently $1,250 per month plus any additional monthly advertising spend; the additional spending currently ranges between $100 to $1,600 per month. The maximum spending for this activity will be $3,000 per month. When the Marketing Fund Fee is activated, up to 1% of Gross Revenue each calendar month.	Established by us.	You must purchase local advertising and pay for media, content and distribution in your market. We currently bill restaurants for these expenses monthly. These expenses may change as the cost of obtaining these services from third parties changes. Substantially all of this expense is paid over to service providers. We may require that you submit documentation or support for these costs to us when we cease to bill you for these services. You authorize our in-house social media management team to manage the social media spend for your Spitz Restaurant.
Late Charge	$200 plus 1-1.5% on the amount outstanding per month, not to exceed the legal rate, which is currently 10% in California, from the date payment was due until paid in full.	Continues to accrue until paid.	Payable if any electronic or other payment submitted to us is unpaid when processed for any reason or if any amount you owe to us is not paid when due. We may increase the amount once annually by the percentage increase in the Consumer Price Index from the previous year beginning January 1, 2026.

Name of Fee	Amount	Due Date	Remarks
Additional Training Fee	Currently $300 per additional trainee per day, plus our out-of-pocket expenses, including transportation, food and lodging. This fee may increase up to $600 during the term of your franchise.	On demand.	We will provide an Initial Training Program for up to 2 supervisorial or managerial personnel you select, who must include the Operating Partner and General Manager. If you send more than 2 supervisorial or managerial employees to the Initial Training Program, you must pay this Additional Training Fee per day per additional trainee. You must also pay for all compensation, benefits, insurance, transportation costs, food, lodging, and similar costs incurred for your attendees. We may change this fee once annually in the Manuals for replacement managers and supervisors who attend training after your attendees complete the Initial Training Program, including new managers and supervisors hired after a transfer or assignment.
Additional/ Remedial Training Program[1]	Currently, $300 per day for each trainer, plus our out-of-pocket expenses, including transportation, food and lodging. This fee may increase up to $600 during the term of your franchise.	On demand.	We may require you and your supervisorial or managerial personnel to attend additional and remedial training programs, at our discretion. You must pay us our then-current daily fee for each of our representatives that provides additional training to you. You must also pay for all compensation, benefits, insurance, transportation costs, food, lodging and similar costs incurred for your attendees. We may change this fee once annually in the Manuals.

Name of Fee	Amount	Due Date	Remarks
Consultation Fee	Currently $500 per day. The fee may increase up to $1,000 per day during the term of your franchise.	On demand.	We may provide regular consultation and advice to you in response to your inquiries regarding administrative and operating issues. You must pay all transportation costs, food, lodging and similar costs that may be incurred by us to provide these services. We may change this fee once annually in the Manuals.
Manual Replacement/ Access Fee	Currently $500. The fee may increase up to $1,000 during the term of your franchise.	On demand.	Payable if you misplace the Manuals or fail to return them to us upon demand. We may charge this fee if your administrative credentials and user log-ins for any on-line version of the Manuals must be reset. We may change this fee once annually in the Manuals.
Inspection Fee	Currently $500 per re-inspection. The fee may increase up to $1,000 per day during the term of your franchise.	On demand.	Payable if we must revisit the Spitz Restaurant for another inspection after you have already been notified of any deficiency or unsatisfactory condition at the Spitz Restaurant, including deficiencies for food quality, cleanliness, service, health/safety and Standards conformity. We may change this fee once annually in the Manuals.
Insurance Premium Reimbursement[4]	Amount of premiums paid on your behalf and our out-of-pocket costs.	On demand.	Payable only if you fail to demonstrate that you have our required insurance coverage in force, and we elect to obtain our coverage for you to meet our minimum standards.

Name of Fee	Amount	Due Date	Remarks
Transfer Fee (Franchise Agreement and Area Development Agreement)	50% of our then current Initial Franchise Fee for a Single Restaurant, currently $17,500	Before transfer.	Payable if you transfer/assign your Franchise Agreement or Area Development Agreement in a transaction where there is a change of control of your equity ownership or a sale or lease of the Restaurant assets or business. Includes attendance for two attendees at our Initial Training Program
Non-Cash Payment System	All costs associated with non-cash payment systems.	As incurred.	You must accept debit cards, credit cards, stored value gift cards or other non-cash payment systems we specify to enable customers to makes purchases at your Spitz Restaurant.
Computer/POS System Maintenance	Currently $1,200 - $2,000 per year. The fee may increase up to $4,000 per year during the term of your franchise.	As needed.	You must maintain and upgrade your POS System as we direct. We may change this cost once annually in the Manuals as our costs to provide this service change.
Default Reimbursement	Our costs and expenses from your default.	Within 5 days after you cure your default or on demand if the default is not cured.	Payable only if you default under the Franchise Agreement. This cost may include reimbursement of our legal fees and expenses, plus our out of pocket expenses if you default.
Audit	Cost of audit plus 1.5% interest per month (not to exceed 18% per year) or the highest rate allowed by law, which is 10% per year in California.	On demand.	Payable only if audit shows an understatement of 3% or more of Gross Revenue.
Successor Franchise Agreement Fee	50% of our then current Single Restaurant Initial Franchise Fee, currently $17,500	When you deliver a continuity notice to us for your Franchise Agreement.	This fee will be payable when you elect to continue the Spitz System affiliation under a Successor Franchise Agreement after the term of the Franchise Agreement expires. Includes training for two attendees to our Initial Training Program

Name of Fee	Amount	Due Date	Remarks
Renewal Fee (Area Development Agreement)	$15,000	When you deliver a renewal notice to us for your Area Development Agreement.	This renewal fee will be payable when you "**renew**" your Area Development Agreement for an additional three year term to allow you to complete the development obligation.
Gross-Up Fees	Covers Actual Cost of Taxes Owed.	On demand.	If we are taxed on your use of our intellectual property or other intangibles or on the fees payable under your Franchise Agreement, you must pay us the Gross Up amount to insure that we receive our full fees, net of the taxes we are obligated to pay. The formula for a Gross Up is (amount due at standard rate) divided by (1-tax rate expressed in hundreths) = Gross Amount Needed to net at standard rate.
Sanitation and Food Safety Audits	Currently $215 per inspection; $500 per re-inspection. We may increase these fees up to $500 and $1,000 during the term of your franchise.	On demand.	We may, in our sole discretion, contract with a third party to conduct sanitation and food safety audits of the Spitz Restaurant from time to time during the term of your Franchise Agreement, but no less than once per calendar year. We may change these amounts once annually in the Manuals.

Name of Fee	Amount	Due Date	Remarks
New Product and Supplier Testing	Actual cost of inspection and testing; $1,000 must be paid as a deposit before facility inspection.	As incurred.	If you propose to purchase any goods or materials from a supplier that we have not previously approved, you must submit a written request to us for approval or you must request the supplier itself to do so. We have the right to require, as a condition of our approval, that our representatives are permitted to inspect the supplier's facilities, and that you deliver to us and/or to an independent, certified laboratory designated by us, all information, specifications and samples that we designate for testing. You must pay us a fee which will not to exceed the actual cost of the inspection and testing.
Annual Conference Fee	Currently $500. We may increase this fee up to $1,000 during the term of your franchise.	On demand at least 30 days before the date of the Annual Franchise Conference.	You must pay us a Franchise Conference Fee in the amount of $500 to reimburse us for a portion of the direct costs to provide the Annual Franchise Conference, whether or not you attend the conference. We may change this fee once annually in the Manuals.
Relocation Fee	Currently $2,500. We may increase this fee up to $5,000 during the term of your franchise.	When we approve your request to relocate your Spitz Restaurant.	You must request our prior approval to relocate your Spitz Restaurant. We may change this fee once annually in the Manuals. You must reimburse us for any travel costs we incur to inspect the proposed relocation site.
Private Offering Fee (Franchise Agreement and Area Development Agreement)	$10,000 or such greater amount as is necessary to reimburse us for our reasonable costs and expenses with reviewing the proposed offering.	Before offering.	Payable for each proposed private offering of securities, partnership or other ownership interests in Franchisee and is in addition to any Transfer Fee under any Franchise Agreement and/or Area Development Agreement.

Name of Fee	Amount	Due Date	Remarks
Data Security Safeguard	Actual cost of defense, advisory fees and resolution costs	On demand.	You must reimburse us for all of our out-of-pocket costs and expenses incurred in responding to and resolving any Cyber Event caused solely by you or your Spitz Restaurant.
Indemnification Expenses and Attorneys' Fees	Actual cost of defense, advisory fees and resolution costs	On demand.	You must indemnify, defend and hold us and our affiliates free and harmless from all claims of third parties arising out of your operation of the Spitz business. If we incur legal expenses to enforce any provision of your Franchise Agreement, we can recover our attorneys' fees, expenses and court costs from you.

NOTES:

1. If you purchase an Operating Restaurant from the Operating Company, we may offer a Royalty Fee that is initially waived or reduced and then increased over time to the standard rate. Unless otherwise noted above, all fees are uniformly imposed by and payable to us by electronic funds transfer or other automatic payment mechanism we designate and are non-refundable. None of these fees are imposed by a cooperative. Fees expressed in dollar amounts that we reserve the right to change annually in the Manuals will be increased or decreased by reasonable amounts reflective of changes in underlying costs to provide the corresponding services to you.

2. If state or local law in the state in which the Spitz Restaurant is located prohibits or restricts in any way your ability to pay and our ability to collect Royalty Fees or other amounts due to us based on revenue derived from the sale of alcoholic beverages at the Spitz Restaurant, we will reset the percentage of Gross Revenues and minimum monthly amount of the Royalty Fees payable to us and redefine Gross Revenue to exclude the payment of Royalty Fees on revenue derived from the sale of alcoholic beverages to an formula that will have the same basic economic result for both you and us.

3. Interest accrues from the date of the underpayment or non-payment until full payment of the amount due.

4. You must maintain insurance of the types and minimum amounts (naming us as an additional insured) that we specify in your Franchise Agreement (Item 8 and Franchise Agreement, Section 13.1), the Manuals, or in supplementary notices. You may obtain additional insurance as you may desire. Insurance policies may not be subject to termination, amendment or cancellation without at least 30 days prior written notice to us. You must provide certificates of insurance evidencing coverage as we request to demonstrate continuous compliance with our insurance coverage requirements.

ITEM 7
ESTIMATED INITIAL INVESTMENT

SINGLE UNIT SPITZ RESTAURANT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Utility Deposits, Fees and Licenses[1]	$500	$4,000	Cash	As Incurred	City, County, State
Architectural and Engineering Fees	$15,000	$30,000	Cash	As Incurred	Architect and Engineer
Real Estate Improvements	$2,000	$5,000	As Arranged	As Incurred	Approved Supplier
Leasehold/Construction[2]	$300,000	$565,000	As Arranged	As Incurred	Approved Supplier
Signage	$10,000	$40,000	As Arranged	As Incurred	Approved Supplier
POS System and Software[3]	$4,050	$6,050	As Arranged	As Incurred	Approved Supplier
Furniture, Fixtures and Equipment[4]	$130,000	$180,000	As Arranged	As Incurred	Approved Supplier
Opening Inventory	$5,000	$15,000	As Arranged	Before Opening	Approved Supplier
Beverage License Costs[5]	$5,000	$110,000	As Arranged	As Incurred	City, County, State
Grand Opening and Initial Advertising Expenditure[6]	$6,200	$10,000	As Arranged	Before Opening	Approved Supplier
Spitz Restaurant Premises (3 Months' Rent and one Month's Lease Deposit)[7]	$28,000	$56,000	Cash, non-refundable	At Signing	Lessor
Insurance-Liability & Workers compensation (initial deposit)[8]	$1,000	$4,000	Cash	Monthly Premium	Insurance Carriers

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Legal Fees/Organizational Expenses[9]	$2,500	$5,000	Cash	As Incurred	Legal & State
Training Expenses (Including Travel and Living Expenses)[10]	$5,000	$10,000	As Arranged	Before Opening	Various Vendors
Initial Franchise Fee[11]	$35,000	$35,000	Cash	At Signing	Us
Catering Van[12]	$15,000	$60,000	As arranged	Before opening	Vendor
Additional Funds (3 months)[13]	$30,000	$75,000	Cash	As Incurred	Approved Suppliers & Employees
Grand Total [14]	**$594,250**	**$1,210,050**			

AREA DEVELOPMENT AGREEMENT
YOUR ESTIMATED INITIAL INVESTMENT (2-8 SPITZ RESTAURANTS)

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low – 2 Restaurants	High – 8 Restaurants			
Utility Deposits, Fees and Licenses[1]	$1,000	$32,000	Cash	As Incurred	City, County, State
Architectural & Engineering Fees	$30,000	$240,000	Cash	As Incurred	Approved Suppliers
Real Estate Improvements	$4,000	$40,000	As Arranged	As Incurred	Approved Suppliers
Leasehold/Construction[2]	$600,000	$4,520,000	As Arranged	As Incurred	Approved Suppliers
Signage	$20,000	$320,000	As Arranged	As Incurred	Approved Supplier
POS System and Software[3]	$8,100	$48,400	As Arranged	As Incurred	Approved Supplier

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low – 2 Restaurants	High – 8 Restaurants			
Furniture, Fixtures and Equipment[4]	$260,000	$1,440,000	As Arranged	As Incurred	Approved Supplier
Opening Inventory	$10,000	$120,000	As Arranged	Before Opening	Approved Supplier
Beverage License Costs[5]	$10,000	$880,000	As Arranged	As Incurred	City, County, State
Grand Opening and Initial Advertising Expenditure[6]	$12,400	$80,000	As Arranged	Before Opening	Approved Supplier
Spitz Restaurant Premises (3 Months' Rent and one Month's Lease Deposit)[7]	$56,000	$448,000	Cash (non-refundable)	At Signing	Lessor
Insurance-Liability & Workers compensation (initial deposit)[8]	$2,000	$32,000	Cash	Monthly Premium	Insurance Carriers
Legal Fees/Organizational Expenses[9]	$5,000	$40,000	Cash	As Incurred	Legal & State
Training Expenses (Including Travel and Living Expenses)[10]	$10,000	$80,000	As Arranged	Before Opening	Various Vendors
Initial Franchise Fee[11]	$65,000	$245,000	Cash	At Signing	Us
Catering Van[12]	$15,000	$120,000	As arranged	Before opening	Vendor
Additional Funds (3 months)[13]	$60,000	$600,000	Cash	As Incurred	Approved Suppliers & Employees
Grand Total[14]	$1,168,500	$9,285,400			

***For 2 Spitz Restaurants.**

****For 8 Spitz Restaurants.** You will pay an initial franchise fee of $30,000 for each additional Spitz Restaurant to be developed under the Area Development Agreement.

MOBILE RESTAURANT/FOOD TRUCK
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Food Truck[15]	$150,000	$160,000	As Arranged	As Incurred	Chassis supplier and Upfitter for Food Truck Configuration
Business and Food Truck Licenses[16]	$500	$1,500	Cash	As Incurred	City, County, State
POS System and Software[3]	$4,050	$6,050	As Arranged	As Incurred	Approved Supplier
Opening Inventory	$8,000	$12,000	As Arranged	Before Opening	Approved Supplier
Food Truck Service Center First Month's Rent	$500	$1,000	Cash	Before Opening	Service Center Operator
Grand Opening and Initial Advertising Expenditure[6]	$3,700	$5,000	As Arranged	Before Opening	Approved Supplier
Insurance – Liability & Workers compensation (initial deposit)[8]	$2,500	$3,500	Cash	Monthly Premium	Insurance Carriers
Legal Fees/Organizational Expenses[9]	$1,000	$5,000	Cash	As Incurred	Legal Counsel & State
Training Expenses (Including Travel and Living Expenses)[10]	$2,500	$6,000	As Arranged	Before Opening	Various Vendors
Initial Franchise Fee[11]	$35,000	$35,000	Cash	At Signing	Us
Additional Funds (3 months)[13]	$10,000	$50,000	Cash	As Incurred	Approved Suppliers & Employees
Grand Total[14]	**$217,750**	**$285,050**			

PURCHASE PROGRAM
OPERATING RESTAURANT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
POS System and Software[3]	$4,050	$6,050	As Arranged	As Incurred	Approved Supplier
Pre-Paid Rent & Security Deposits	$14,000	$56,000	Cash (non-refundable)	Upon Closing of Purchase	The Operating Company
Insurance – Liability & Workers compensation (initial deposit)[8]	$2,500	$3,500	Cash	Monthly Premium	Insurance Carriers
Initial Franchise Fee[11]	$35,000	$35,000	Cash	At Signing	Us
Purchase Price for Assets of Operating Restaurant[17]	$200,000	$700,000	Cash (non-refundable)	Upon Closing of Purchase	The Operating Company
Pre-Paid Rent & Security Deposits	$14,000	$56,000	Cash (non-refundable)	Upon Closing of Purchase	The Operating Company
Additional Funds (3 months)[13]	$10,000	$50,000	Cash	As Incurred	Approved Suppliers & Employees
Grand Total[14]	**$279,550**	**$906,550**			

NOTES:

Unless otherwise noted above, all fees are uniformly imposed by and payable to us by electronic funds transfer or other automatic payment mechanism we designate and are non-refundable. You authorize us to debit from your designated primary business checking or savings operating account for each week any funds due and payable to us for royalty fees, marketing fund fees and all other sums that you owe to us or our affiliate. We currently do not offer financing for any purpose but reserve the right to do so in the future. We do not guarantee your note, lease or other obligation.

1. These estimates include equipment lease deposits, sales tax deposits or bonds, sewer hookup charges, and utility deposits.

2. These estimates include costs for space plan layout, exterior signage, design, architectural, kitchen, mechanical, electrical, plumbing and related drawings, engineering, testing, permit expediter, and city permits and fees. The size of most Spitz Restaurants ranges from 1,700 to 2,400 square feet. If you choose to build a larger sized restaurant, you may incur costs in excess of these estimates, both on a cost per square foot and total dollar basis. You must employ a licensed architect and designer approved by us to design and construct your Spitz Restaurant. These estimates are for the costs incurred for project and construction management and construction and remodeling a location to conform to our current standards, including a general contractor's fee (generally equal to 10% to 15% of total construction costs for labor and materials); contractor's (builder's risk) insurance; materials and supplies; tools; labor and subcontractor fees; and other costs to construct leasehold improvements that conform to our standards. You must perform or have performed any construction, remodeling, or additions necessary to cause the premises to conform

to applicable Federal, state, county, city, local laws, ordinances, codes, rules, and regulations governing food service businesses and meet our requirements for the layout design, construction, fixture and equipment selection and placement, installation, and the trade dress appearance of a Spitz Restaurant. Construction and remodeling costs vary widely, depending upon the location, design, the condition and configuration of existing services and facilities such as heating, ventilation, air conditioning, electrical and plumbing, and the terms of your lease and the local real estate market. You must grant us a security interest in and to all leasehold improvements, fixtures, furnishings and equipment, inventory, supplies and vehicles located at or used in connection with the Spitz Restaurant. The cost of constructing a building shell. Construction costs estimated do not apply any tenant improvement allowances, which are granted by landlords and vary widely. If your landlord does not deliver a completed building shell with accessible utility connections that is framed for finishing, your leasehold improvement construction costs may substantially exceed these estimates. These estimates do not include demolition expenses.

3. These estimates include the cost to purchase the point-of-sale system and your first three months of maintenance fees. The figure provided is the cost to purchase a computerized cash accounting and point of sale system, including installation. Your costs may vary. We do require you to use the same hardware as a company-owned Spitz Restaurant but we require you to use our specified accounting and point of sale software that is obtained directly from the vendor. We have the right to change accounting and POS systems at any time upon 90 days' notice.

4. These estimates include all furniture and fixtures for a Spitz Restaurant, including chairs, tables, and window blinds. This estimate also includes the cost of all kitchen equipment, soda system, ice makers, coffee equipment, specialty equipment, sound system, security cameras and wide screen televisions.

5. Spitz Restaurants must serve beer and wine and, at your option and with our prior written approval, may also serve liquor. A beer and wine license will generally range from $5,000 to $10,000, and a full liquor license will generally cost an additional $5,000 to $100,000. The low estimate assumes purchase of a beer and wine license only in "open jurisdictions" where any qualified party may obtain a license and there is not statutory or regulatory limit on the number of licenses or licensed restaurants. The high estimate assumes the purchase of beer, wine and a full liquor license in a "closed jurisdiction," where licenses are limited by statute or regulation and must be purchased from an existing license holder or acquired with the restaurant premises. The actual cost may be substantially higher than our high estimate in closed jurisdictions. At our discretion, a Mobile Restaurant may or may not be required to serve alcohol. You must check with your state and local alcoholic beverage licensing authority to determine the cost of your beer, wine and liquor license and the timing to obtain a license.

6. You must spend at least $5,000 to conduct grand opening marketing and promotion for your traditional Spitz Restaurant in a manner approved by us. If you operate a Mobile Restaurant or Non-Traditional Venue Restaurant, you must spend at least $2,500 to conduct grand opening marketing and promotion for your Mobile or Non-Traditional Venue Restaurant in a manner approved by us. Within 90 days of the grand opening for your Spitz Restaurant, you must submit evidence to us of the grand opening expenditures. You must obtain our written consent to the grand opening plan before you implement it. After the first 30 days of the grand opening of your Spitz Restaurant, you must also pay a monthly advertising management fee directly to our approved social media/brand management company, which currently ranges from $350 to $500 per month (which may increase to $1,000 if you elect to add certain services) and advertising costs to Facebook which currently range from $250 to $300 per month. We can change the advertising amounts you must spend and forum/social media platform you must advertise in, on written notice to you.

7. These estimates assume that your location will be a leased, unimproved, unfinished retail store-type unit. The estimates are based on the assumption that the premises will be rented and that the landlord will require –one month's rent as a security deposit. A typical Spitz Restaurant will be located in a densely populated suburban or urban area on a major thoroughfare or adjacent to or part of a suburban or urban shopping center. The typical location will be approximately 1,700 to 2,400 square feet. Monthly lease payments usually range from $7,000 to $14,000. A larger sized restaurant may cost more to develop, both on a cost per square foot and total dollar basis.

8. Please see Item 8 for a description of the insurance coverages and amounts we require. These deposit estimates are for quarterly payments of premiums. You may be able to pay your insurance premiums on a monthly or annual basis.

9. This estimate includes legal review and negotiation of the lease for the Franchised Location and accounting assistance in setting up your books. Additional Legal Fees in the Area Development chart above reflects additional legal costs you may incur as a result of signing an Area Development Agreement.

10. This estimate includes the cost of sending your Operating Partner and General Manager to attend our Initial Training Program in Salt Lake City, Utah or other designated training location. We do not charge a tuition fee for your first two attendees to participate in the Initial Training Program, however, you will be responsible for any compensation, benefits, insurance, meals, lodging, other living expenses and transportation costs incurred by your personnel while attending the Initial Training Program. This estimate also includes the pre-opening training compensation for your managers and employees at the Spitz Restaurant. Your costs of compensation will vary with local market conditions.

11. The non-refundable Initial Franchise Fee and Development Fee are described in Item 5 of this Disclosure Document. On the Area Development Agreement chart, the low estimate assumes you commit to developing 2 Restaurants; the high estimate assumes you commit to developing 8 Restaurants.

12. For delivering catering orders and services off premises, you may require the customer to receive the catering order delivery in the Spitz Restaurant, use a third party delivery service, or use a catering vehicle that you lease, rent when needed, or own. These vans may vary in size and cost. You may purchase a used van that is in good working order, appearance and condition, or purchase a new van that will cost substantially more. We do not require you to lease, rent, or own a catering van.

13. You must, at all times, maintain adequate reserves and additional funds sufficient for you to fulfill all your obligations under the Franchise Agreement and to cover the risks and contingencies of the Spitz Restaurant for at least 3 months. The estimates provided above include estimated employee wages, 3 months of inventory (including restaurant equipment and food), facility expenses, opening cash, and other required expenses through the first 3 months of operations. These estimates do not consider any finance charges, interest and related costs you may incur if any portion for the initial investment is financed or all other recurring monthly operating expenses. These amounts are the minimum recommended levels to cover operating expenses, including employee's salaries for 3 months. Additional funds may be required if sales are low or fixed costs are high. Our disclosure of additional costs covers a 3-month start-up period. Your Spitz Restaurant may experience a longer start-up period and require additional funds. We relied on our experience in operating our company-owned Spitz Restaurants in developing these estimates. You should review these estimates carefully with a business advisor before making any decision to purchase the franchise.

14. We generally do not provide financing for the Initial Franchise Fee or Development Fee.

15. To add a food truck, you must already operate at least one traditional Spitz Restaurant that would serve as the support commissary for the food truck. We will not allow you to operate a food truck franchise without an operating Spitz Restaurant that will serve as the food commissary for the food truck. We do not expect that you will be able to store and service the food truck at the Spitz Restaurant, so you must make arrangements with a Food Truck Service Center for storing and servicing the food truck. The prices for food trucks vary based upon the equipment and specifications you chose, options included and local health department requirements which may result in changes in design and construction.

You may purchase a "gourmet food truck" (see http://www.cateringtruck.com/products.html) manufactured by Armenco Catering Truck & Hot Dog Cart Manufacturing Company, Inc. ("Armenco"). Gourmet food truck kitchens manufactured by Armenco average 18 feet in length and are furnished with specific equipment for the Spitz menu preparation and service. You may purchase a food truck from any competent supplier as long as it is equipped to our specifications, as published in the Manuals. The décor and layout of your Mobile Restaurant, the equipment, graphics and detailing, trade dress and signs must comply with our requirements. These estimates include the cost of a light-duty or medium-duty 1/2- or 1-ton panel step-van chassis, the price for which will depend upon whether you purchase a new or used truck, shipping costs, which will vary depending on factors such as fuel costs, freight, and delivery destination, plan composition, design and Armenco's in-house engineering fees.

These estimates do not include the cost of mechanical inspections and/or repairs to meet Federal, state and/or local safety and emission standards. If you finance the lease or purchase of the Food Truck through a third-party lending institution, a substantial portion of the total purchase price will often be required as a down-payment as determined by the lending institution. Armenco requires an initial down payment of $5,000 to cover plan composition costs and 50% of the kitchen purchase price. The remaining balance must be paid in full prior to delivery. Other suppliers may offer different terms.

The cost to establish a Non-traditional Outlet will be approximately the same as a Mobile Restaurant. You will need to purchase and install kitchen, storage, serving and production equipment at approximately the same cost as the food truck. We assume that you will not be responsible for seating, and exteriors of the host facility. Your lease with the host facility may require other shared expenses and systems, such as a common point of sale system or fountain beverage dispensing system. Your lease or concession arrangement may also provide for a cashier system operated by the host facility with distribution to you on a defined schedule. Your additional funds needed must take into account any delay in revenue receipt under that type of arrangement.

16. These estimates include health department plan check and annual permit fees as well as building and safety plan check/insignia fees (when required) which are not included in the purchase price. Other included expenses are estimated city business license fees and Department of Motor Vehicle registration, renewal and smog check fees. These costs vary from state to state and vehicle model. Various factors determine the costs of these fees, such as area of operation, gross vehicle weight and local tax and licensing fee schedules.

17. The purchase price of an Operating Restaurant typically depends on the business's gross cash flow, the remaining term of the lease and the value of the leasehold. In the typical case, you will purchase all assets of the Spitz Restaurant owned by the Operating Company, including the goodwill of the business other than the goodwill associated with the Spitz Marks and receive an assignment of all relevant commercial contracts and the lease for the premises. In the typical case, you will reimburse the Operating Company for one month's rent and a security deposit equal to 1 – 3 month's rent for the Spitz Restaurant premises when you complete the purchase of the assets. The low estimate assumes payment of one month's rent and a security deposit equal to one month's rent and the high estimate assumes payment of one month's

rent and a security deposit equal to three month's rent. The Operating Company will generally retain all liabilities of the former business accruing before closing, except for liabilities you assume at closing under the operating contracts assigned to you, such as the premises lease. The purchase price and the terms of the Asset Purchase Agreement and its attachments will vary considerably for each transaction, depending upon the gross revenue and cash flow for the existing business, the value of the leasehold improvements and the lease, any unique characteristics of the transaction and the Operating Restaurant, financing arrangements and other factors. The purchase price and terms of the Asset Purchase Agreement are negotiable with the Operating Company.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Except as described below, you have no obligation to purchase or lease from us, an affiliate or from suppliers approved by us or according to specifications we issue:

Approved Suppliers. You may only use suppliers that we have accepted and approved ("**Approved Suppliers**") because they have demonstrated to us their ability to supply Spitz Restaurants with products and services meeting our specifications as to brand names, models, contents, manner of preparation, ingredients, quality, freshness, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services. We will provide you with our Manuals and various supplemental bulletins and notices that will contain the specifications, standards and restrictions, which we may modify from time to time, on your purchase of products and services. Upon request, we will furnish to you a list of Approved Suppliers that we may update from time to time. You must operate your Spitz Restaurant in strict compliance with the standard procedures, policies, rules and regulations contained in the Manuals. We and our affiliate are not currently the only Approved Supplier for any goods or services, but reserve the right to be in the future. All "**Spitz Branded Products**", "**Spitz Proprietary Products**" and "**Non-Proprietary Products**" designated by us for use and sale at or from the Spitz Restaurant must be purchased from Approved Suppliers. "**Spitz Branded Products**" are products that bear any of the Spitz Marks, including any product now existing or developed in the future that bears any of the Spitz Marks, including products that are prepared, sold and/or manufactured in strict accordance with our recipes, methods, standards and specifications, including pre-packaged food and beverage products, clothing, souvenirs and novelty items.

None of our officers owns an interest in any Approved Supplier.

Goods, Supplies, Inventory and Services. You must serve all of the products we mandate to be served in all Spitz Restaurants ("**Authorized Spitz Products**") and you may not use or serve any menu item or product we have not authorized you to use or serve. We may specify proprietary food products, ingredients, beverages, packaging and products which are area produced or manufactured according to our trade secrets, proprietary recipes, specifications and/or formulas (collectively, the "**Spitz Proprietary Products**"). You must buy Spitz Proprietary Products only from our Approved Suppliers. We will not be obligated to reveal our trade secrets or the recipes, specifications and/or formulas of Spitz Proprietary Products to you or any third party. You must purchase, use, and maintain in stock a sufficient amount of Authorized Spitz Products and Spitz Proprietary Products to operate your Spitz Restaurant.

We may designate certain non-proprietary food products, condiments, beverages, raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, menus, packaging, forms, customer comment cards, POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Spitz Proprietary Products, which you may or must use or sell at the Spitz Restaurant ("**Non-Proprietary Products**"). You may use, offer or sell only those Non-Proprietary Products that we expressly authorize. You will purchase Non-Proprietary Products from

Approved Suppliers. Each supplier we approve must comply with our requirements regarding insurance, indemnification, and non-disclosure, and satisfy us that it will supply products meeting our specifications (which may include particular brand names, models, contents, quality, freshness and compliance with governmental standards), reliably deliver consistent quality products or services, and meet any other requirements we determine is in the best interest of the Spitz System. We may limit items to a particular brand or brands set by us. Currently, Lamb Weston is the only Approved Supplier of French fries.

Social Media. We have an in-house team that provides national and local marketing and manages the online brand for our company-owned locations and each franchised location. The media used for these promotional services is mostly hyper-local for individual locations, but regional with the Spitz brand as a whole. The social media content for your Spitz Restaurant must be either created or approved by our Creative Director. Our in-house team will establish and maintain all social media accounts for each Spitz Restaurant as part of the services provided for the $1,250 monthly marketing fee. We may modify or discontinue this service, or replace the current vendor, at any time.

Equipment & Fixtures. You must purchase and install, at your expense, all fixtures, furnishings, equipment (including point-of-sale system), décor, and signs as we direct. You may not install on or about your Spitz Restaurant any merchandise, furnishings, interior or exterior décor items, supplies, fixtures, equipment or utensils unless they have been approved by us in writing. You must purchase these items from an Approved Supplier.

Computer Equipment. You must purchase, lease or license all computer hardware and software we designate for the Spitz Restaurant at your expense. You must maintain and update all computer hardware and software as we require. Currently, Toast, Inc. is the only Approved Supplier of the POS System. See Item 11.

Food Truck. If you elect to operate a Food Truck, you may purchase the "**gourmet food truck**" manufactured by Armenco, 21612 Osborne Street, Canoga Park, CA 91304; **Phone:** (800) 345-0104; (https://www.cateringtruck.com). Gourmet food truck kitchens average 18 feet in length. Armenco upfits the chassis, usually a Ford or Freightliner van chassis, with client-specific equipment to produce our Authorized Products, and ships the Food Truck from its Los Angeles area factory to any location in the United States. Armenco is currently the only Approved Supplier for Food Trucks. You may purchase the Food Truck from any competent supplier as long as it meets the specifications in the Manuals. Your supplier must be willing to undergo our approval process described below.

Approval of Suppliers. If you wish to procure any items from a supplier other than us or an Approved Supplier, you must obtain our approval. You must identify the proposed supplier, its name and address, and the item(s) you desire to purchase from that supplier. We may require you to deliver a sample of their product. Our specifications and standards for supplier approval are generally available upon written request. If product specifications for the item are not in the Manuals, we will furnish the general, but not manufacturing, specifications for Non-Proprietary Products to you at your request. We may condition our approval on the supplier agreeing in writing not to disclose any confidential information regarding us or our operations, to comply faithfully with our specifications for the items it sells, to sell any materials bearing our marks only to our franchisees, and on the supplier demonstrating to our reasonable satisfaction that it is able to supply commodities meeting our specifications on a continuing basis, and that the supplier is, and will continue to be, of good standing in the business community with regard to its financial soundness and the reliability of its product and service. We also have the right to require, as a condition of approval, that our representatives are permitted to inspect the supplier's facilities and that you deliver to us and/or to an independent, certified laboratory designated by us, all information, specifications and samples that we reasonably designate for testing. You must pay us a fee not to exceed the actual cost of the inspection and testing. In addition to product testing, a facility audit may be required. You will be responsible for any

additional costs and expenses, if any, associated with the inspection of the facility. You must pay us an advance deposit against expenses that we determine, usually $1,000, before we begin any inspection.

We will use our good faith efforts to notify you in writing of our decision to approve or disapprove the proposed supplier within 60 days after we receive your request for approval, the advance deposit and all requested back-up information. You may not use a supplier unless we notify you of our approval in writing. We may revoke a supplier's approval for failure to comply with our requirements and specifications. We will disapprove or withdraw our approval of any supplier by written notice to you.

Supplier Payments. We may receive rebates from Approved Suppliers based on the aggregate volume of products of services purchased by our franchisees from Approved Suppliers. You will not be entitled to receive any portion of these rebates. In addition, we may negotiate certain arrangements (including price terms) for the purchase of certain items, such as logoed paper products and cups, with suppliers.

During the fiscal year ended December 31, 2025, our total revenue was $2,732,457. We received $82,571 or 3% of our total revenue in the form of French fry rebates from Lamb Weston as a result of required purchases by franchisees. During the fiscal year ended December 31, 2025, the Operating Company did not derive any revenue or other material consideration from required purchases or leases by franchisees.

Required purchases or leases are estimated to make up 68% to 77% of a franchisee's initial investment and make up 25% of a franchisee's annual operating expenses.

Material Benefits. We do not provide material benefits to franchisees (for example, renewal or granting additional franchises) based upon their purchase of particular products or services, the volume of purchases from a particular supplier or use of particular suppliers.

Cooperatives. Presently there are no purchasing or distribution cooperatives for Spitz Restaurants..

Insurance. You must obtain and maintain throughout the term of your Franchise Agreement the types and amounts of insurance required by us and you must provide us with proof of coverage and Certificates of Insurance before you open your Spitz Restaurant, and then upon demand. Workers Compensation insurance must be in compliance with all local laws and regulations. This insurance must protect both you and us against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the operation of the Spitz Restaurant. Each policy must: (i) be written by insurers licensed and admitted to write coverage in the jurisdiction in which the Spitz Restaurant is located and with a rating of ″A″ or better as set forth in the most recent edition of Best′s Key Rating Guide; (ii) name us as an additional insured; and (iii) comply with the requirements prescribed by us at the time the policies are obtained. You and your insurers must agree to waive their rights of subrogation against us, and you must provide evidence of the waiver. The insurance coverage we currently require is as follows:

(1) *Commercial General Liability* coverage ($2 million single limit per occurrence; $3 million general aggregate limit, for both general liability and products /completed operations liability) for personal injury and property damage, including premises, independent contractors, products and completed operations, contractual, personal and advertising liability, on an occurrence basis, with coverage on a 1986 or later ISO commercial general liability form policy;

(2) *"All Risk*" property coverage including a property damage limit for the full cost of replacement of the Spitz Restaurant

(3) *Business Interruption* coverage providing for not less than $50,000 per month benefits for up to nine months for loss of income and other expenses, which provides for Royalties to be paid from the proceeds;

(4) *Business Automobile Liability* covering liability arising out of any auto (including owned, hired and non-owned autos), with a minimum of $1 million combined single limit each accident;

(5) *Workers' Compensation* or legally appropriate alternative covering all employees and contractors working at the Franchised Business for statutory limits and employers liability with minimum limits of $500,000 bodily injury for each accident, $500,000 bodily injury by disease for each employee and $500,000 bodily injury disease aggregate;

(6) *Umbrella Policy* having a limit of at least $1 million on an occurrence basis excess of covering excess of the underlying insurance described in (1), (3) and (4) above which is at least as broad as each and every underlying policy, provided that you may purchase more underlying coverage and less umbrella coverage under such policies as long as you maintain the total amount of the limits specified for each coverage area;

(7) *Liquor Liability (Dram Shop)* having a combined single limit of $1 million per occurrence; and

(8) Other insurance as may be required by the state or locality of the Spitz Restaurant.

All of the liability insurance policies, other than Workers' Compensation, must name us, Parent, and our respective officers, directors, members, shareholders, partners and employees as additional insureds on a primary basis for operations of Franchised Business. The form of additional insured endorsement will be ISO CG 2010 11 85 Form B or its equivalent. If the additional insured has other insurance applicable to a loss, it will be on an excess or contingent basis. The additional insured's insurance coverage will not be reduced by the existence of such other insurance.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section(s) In Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Article 5 of the Franchise Agreement; Sections 5.1 and 5.2 of the Area Development Agreement	Items 8, 11 and 12
b. Pre-opening purchases/leases	Article 5 of the Franchise Agreement; Section 5.2 of the Area Development Agreement; Section 1.3 of the Mobile Addendum	Items 5, 7, 8 and 15

Obligation	Section(s) In Agreement	Disclosure Document Item
c. Site development and other pre-opening requirements	Sections 5.3 and 5.4 of the Franchise Agreement; Sections 2, 6.1-6.2 and Exhibit B of the Area Development Agreement	Items 7, 11 and 16
d. Initial and ongoing training	Sections 6.1 and 6.2 of the Franchise Agreement	Items 6, 11 and 15
e. Opening	Section 5.4 of the Franchise Agreement; Article 3 of the Mobile Addendum	Item 11
f. Fees	Articles 4 and 14 of the Franchise Agreement; Sections 3.3, 4, 9.4.7, 9.6 and Exhibit B of the Area Development Agreement; Sections 3 and 15(i) of the Asset Purchase Agreement	Items 5, 6 and 7
g. Compliance with standards and policies/Manuals	Article 7 of the Franchise Agreement; Articles 6 and 16 of the Area Development Agreement; Section 4.2 of the Mobile Addendum	Items 11 and 16
h. Trademarks and proprietary information	Article 9 of the Franchise Agreement; Articles 7 and 8 of the Area Development Agreement	Items 13 and 14
i. Restrictions on products/services offered	Article 8 of the Franchise Agreement; Section 6.2 of the Area Development Agreement	Items 8 and 16
j. Warranty and customer service requirements	Not Applicable	Not Applicable
k. Territorial development and sales quotas	Sections 2.1, 2.3, 2.5, 2.6 and 6.1 of the Area Development Agreement	Item 12
l. Ongoing product/service	Sections 7.5, 8 and 10.5 of the Franchise Agreement	Item 16
m. Maintenance, appearance and remodeling requirements	Sections 5.3, 7.17, and 7.19 – 7.20 of the Franchise Agreement; Sections 4.3 and 4.4 of the Mobile Addendum	Items 7 and 16
n. Insurance	Article 13 of the Franchise Agreement; Section 6.5 of the Area Development Agreement	Items 7 and 8
o. Advertising	Article 10 of the Franchise Agreement	Items 6, 11 and 13
p. Indemnification	Section 18.4 of the Franchise Agreement; Section 14.4 of the Area Development Agreement	Items 6 and 12

Obligation	Section(s) In Agreement	Disclosure Document Item
q. Owner's participation/ management/staffing	Section 7.7 of the Franchise Agreement	Item 15
r. Records and reports	Article 12 of the Franchise Agreement; Article 8 of the Asset Purchase Agreement	Items 6 and 17
s. Inspections and audits	Section 12.3 of the Franchise Agreement	Items 6 and 17
t. Transfer	Article 14 of the Franchise Agreement; Articles 9 and 10 of the Area Development Agreement	Items 6 and 17
u. Renewal	Sections 3.2-3.4 of the Franchise Agreement; Section 2.6 of the Area Development Agreement	Items 6 and 17
v. Post-termination obligations	Article 17 of the Franchise Agreement; Article 12 of the Area Development Agreement; Section 4.1 and Article 6 of the Mobile Addendum	Items 6 and 17
w. Non-competition covenants	Article 15 of the Franchise Agreement; Article 13 of the Area Development Agreement	Item 17
x. Dispute resolution	Article 19 of the Franchise Agreement; Article 15 of the Area Development Agreement; Article 14 of the Asset Purchase Agreement	Item 17
y. Taxes & Permits	Section 5.3 of the Franchise Agreement; Sections 7(e), 9(c), 9(d) and 9(f) of the Asset Purchase Agreement; Section 4.3 of the Mobile Addendum	Items 1 and 7
z. Computer hardware and software	Section 7.4 of the Franchise Agreement; Section 6.6 of the Area Development Agreement	Items 8 and 11
aa. Other: Security Interest	Sections 4.7 and 17.9 of the Franchise Agreement	Item 7

ITEM 10
FINANCING

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

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

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

Before Opening. We have the following obligations to you before you open your Spitz Restaurant for business:

1. **Spitz Restaurant Site Selection Assistance**. You are solely responsible for selection of the proposed site of your Spitz Restaurant, which will be subject to our review and approval or rejection. We may, but have no obligation to, assist you in locating a proposed site, only after you sign the Franchise Agreement and pay the Initial Franchise Fee. We do not own or lease the Spitz Restaurant to you. The "**Effective Date**" of the Franchise Agreement occurs when you sign and deliver the Franchise Agreement and any applicable Addendum, we accept and countersign the Franchise Agreement and you have paid the fees due at signing. We will provide you with our site criteria that include the factors we consider in approving Spitz Restaurant locations, such as general location and neighborhood, traffic patterns, parking, size, physical characteristics of existing buildings and lease terms. You may not construe any assistance we may provide, or our approval, as a guarantee or other assurance that the proposed site will be successful. You may not relocate your Spitz Restaurant without our consent. We are not obligated to assist you in negotiating the commercial or legal terms of the lease. (Franchise Agreement, Sections 5.1 and 5.4).

2. **Site Design Assistance**. We will provide you a copy of our specifications for the décor and layout of a Spitz Restaurant and the required fixtures, equipment, furnishings, décor, trade dress and signs that you will obtain either from approved suppliers we identify for you or from any supplier you select as long as the items conform to our specifications. We do not deliver or install these items. You are responsible for the costs of preparing architectural, engineering and construction drawings and site and space layout and exterior signage plans, which you must submit to us for our review and approval within 45 days after you obtain possession of the Franchised Location and, in any event, before you begin construction of your Spitz Restaurant. Before commencing any renovation or construction, you must employ a licensed architect and engineer approved by us to prepare preliminary and final architectural and engineering drawings and specifications of your Spitz Restaurant in accordance with our standard architectural plans and specifications for a prototype Spitz Restaurant. You are responsible for the cost of construction and refurbishment the Spitz Restaurant. Your costs for the required refurbishment shall not exceed $100,000 for the interior of the Spitz Restaurant or $50,000 for the exterior of the Spitz Restaurant. These dollar amounts will be subject to annual adjustment to reflect changes in the Consumer Price Index (Franchise Agreement, Sections 5.3 and 7.20).

3. **Manuals**. After you sign your Franchise Agreement, we will loan you 1 copy of our Operations Manual, which may consist of one or more manuals ("**Manuals**"), to use during the term of the Franchise Agreement by hard copy or via the intranet. As of December 31, 2025, the Operations Manual had a total of 278 pages. The Manuals contain our standard operational procedures, policies, rules and regulations with which you must comply. We may, from time to time, update or change the Manuals in our sole discretion, and we may create a portal for on-line access to the Manuals in place of hard copy access. We may impose a data security plan for persons granted on-line access to the Manuals. (Franchise Agreement, Section 6.3). You will be given the opportunity to review the Manuals before you sign your Franchise Agreement if you first sign our form of Confidentiality Agreement (**Exhibit F)**.

4. **Initial Training**. We will provide initial training at a franchised Spitz Restaurant located in Salt Lake City, Utah and/or another designated training location, for up to 2 supervisors or managers you select, who must include the Operating Partner and General Manager, or other supervisory or managerial

personnel. Additional personnel can be training for the Additional Training Fee. (Franchise Agreement, Section 6.1).

5. **Franchise Disclosure Document**. If you have signed an Area Development Agreement, upon our approval of a site, we will give you a copy of our then-current Disclosure Document, if required by applicable law and you have not already received the current version, together with a copy of our then-current Franchise Agreement for the Spitz Restaurant. (Area Development Agreement, Section 5.4).

6. **Designation of Mobile Territory for Food Truck**. We will designate your Protected Area in your Food Truck Franchise Agreement. (Mobile Addendum, Section 1.2).

7. **Specifications for Food Truck**. We will provide you with the specifications for the equipment, graphics and detailing, trade dress and signs for your Food Truck. (Mobile Addendum, Section 1.3).

8. **Virtual Training**. We may provide any or all portions of the Initial Training Program and/or pre-opening on-site opening assistance remotely over a virtual communication platform designated by us. (Franchise Agreement, Section 6.6).

Except as expressly stated above, we do not provide assistance to you with locating a site and negotiating its purchase or lease, conforming the premises to local ordinances and building codes, obtaining any required permits, constructing, remodeling or decorating the premises, hiring and training employees, or providing for necessary equipment, signs, fixtures, opening inventory, and supplies.

Post-Opening Obligations. We have the following obligations to you during the operation of your Spitz Restaurant:

1. **Consultation and Advice**. Provide regular consultation and advice to you in response to inquiries from you regarding administrative and operating issues that you bring to our attention. (Franchise Agreement, Section 6.4).

2. **Additional Training**. We will provide training programs for new or replacement supervisors or managers personnel. (Franchise Agreement, Section 6.2).

3. **Designate Products**. We will designate Spitz Proprietary Products and Non-Proprietary Products which you may or must stock, use and promote. (Franchise Agreement, Sections 8.3).

4. **Inspections**. We will inspect and examine the Spitz Restaurant to confer with your supervisory or managerial employees, inspect and check operations, food, beverages, furnishings, interior and exterior décor, supplies, fixtures and equipment, and determine whether the Spitz Restaurant is being operated in accordance with the Franchise Agreement, the Spitz System and the Manuals. (Franchise Agreement, Section 6.5).

Except as stated above and as we may offer in the Manuals, after you open your Spitz Restaurant, we have no obligation to provide you with assistance with developing products or services that you will offer your customers, hiring and training employees, improving and developing your Spitz Restaurant, establishing prices, establishing and using administrative, bookkeeping, accounting and inventory control procedures, and resolving operating problems you may encounter.

Optional Services. We may provide in our discretion certain additional services to you. We may make operating recommendations that we deem appropriate to assist your efforts to operate the Spitz

Restaurant. We may provide additional training programs for managers and staff. We may provide all or any portions of the Additional Training Programs, post-opening on-site opening assistance, post-opening consultations and/or post- opening inspections remotely over a virtual communication platform designated by us. We may now or in the future establish a toll free telephone number for the purpose of accepting and confirming customer orders nationwide, customer service, and customer follow-up and satisfaction surveys. If we establish a toll-free customer number, you must comply with our procedures for implementing the nationwide service as we specify in the Manuals or otherwise in writing. Subject to applicable law, we may establish pricing guidelines for Spitz Authorized Products. (Franchise Agreement Sections 6.2, 6.4, 6.9, 7.3, 7.6)

Length of Time to Open Your Spitz Restaurant. A Spitz Restaurant usually opens for business between 3 to 6 months after the Effective Date of the Franchise Agreement. Factors which may affect the length of time between signing of the Franchise Agreement and opening for business include the time necessary to: identify a location which we will approve; obtain any financing you need; obtain required permits and governmental agency approvals; fulfill local ordinance requirements; obtain our approval of preliminary and final plans and specifications your architect prepares, complete construction, remodeling, alteration, and improvement of the Franchised Location, including the installation of fixtures, equipment, and signs; and complete the hiring and training of personnel. Delay in construction may be caused by inclement weather, material or labor shortages, labor actions, slow deliveries, equipment shortages and similar factors.

You may open a Spitz Restaurant under the Area Development Agreement only by signing a Franchise Agreement for that location. As noted above, we estimate the length of time between signing a Franchise Agreement and the opening of your Spitz Restaurant is 3 to 6 months. A Mobile Restaurant usually opens for business 6 to 9 months after the Franchise Agreement Effective Date. You must open your Mobile Restaurant for business within 6 months after your Franchise Agreement and Mobile Addendum Effective Date, unless we agree otherwise in writing, if Amrenco cannot deliver the Food Truck within 6 months. (Mobile Addendum, Section 3). Factors that may affect the length of time between the signing of a Franchise Agreement and the opening of a Mobile Restaurant include the time necessary to obtain the Food Truck from its manufacturer; obtain the necessary financing; obtain required permits and governmental agency approvals; fulfill local ordinance requirements; arrange for a Food Truck Service Center, and the hiring and training of personnel. Delays in opening may be caused by inclement weather, material or labor shortages, labor actions, slow deliveries, equipment shortages and similar factors.

Site Selection/Lease/Purchase of Real Estate. If you do not already have a location we approve when you sign your Franchise Agreement, you must purchase or lease a site for your Spitz Restaurant promptly after you sign the Franchise Agreement. You must submit a proposed site meeting our then-current site standards and specifications published in the Manuals within 90 days after the Effective Date. We have 30 days after you submit all the required information to approve or reject your proposed site. We will notify you of our preliminary approval or rejection of the site. If you do not submit and obtain our approval of a site within the required time limit, we can terminate your Franchise Agreement. (Franchise Agreement, Sections 5.1, 16.2.14). Once your site is approved, you negotiate the lease or purchase agreement and submit your proposed lease or purchase agreement to us for our review. You must allow us at least 15 days for review the lease or purchase agreement. We do not own or lease the site of the Spitz Restaurant.

If you are purchasing the Franchised Location, you must submit the contract for purchase and sale to us for approval before you sign it and provide a fully signed copy of the contract following signing within 180 days after the Effective Date of your Franchise Agreement. You must provide us with a copy of the deed to the site after closing on the purchase, but not later than the opening of your Spitz Restaurant. (Franchise Agreement, Section 5.1)

The purpose of our lease review is to confirm that the required provisions in Section 5.2 of the Franchise Agreement have been included in the lease and there are no provisions that would prevent you from operating the Spitz Restaurant in compliance with the Franchise Agreement. The landlord must agree to sign an Option to Obtain Lease Assignment (**Exhibit D**) in the form we specify. Our acceptance of your lease is based solely on our own interests and does not represent any guarantee or endorsement by us of the Franchised Location or confirmation that the lease complies with applicable law or that the terms of the lease are favorable to you. Your lease must not (i) obligate us in any manner, or (ii) contain any provision inconsistent with your Franchise Agreement. In addition, your lease must provide for the following: (i) the lease may not be amended, assigned or sublet without our prior written consent; (ii) we have the right (but not the obligation) to succeed to your rights under the lease if you fail to exercise any option to renew, and/or extend the term of the lease; (iii) if you default under the lease, the Landlord must copy us on any notice of default sent to you and notify us in writing at least 15 days prior to the termination or non-renewal of the lease; (iv) we have an option to assume the lease upon the termination or expiration of the lease for any reason by giving written notice of the election to you and the landlord; (v) you have the unrestricted right, without the landlord's consent, to assign the lease or sublet the Franchised Location to us, or any franchisee or licensee approved by us; and (vi) we have the right to enter the Franchised Location to remove all of the Spitz Marks from the Franchised Location and modify the décor of the Franchised Location so that it no longer resembles, in whole or in part, a Spitz Restaurant if you fail to do so. (Franchise Agreement, Section 5.2). You must provide us with a conformed copy of the fully executed lease you sign in the form we approved within 180 days after the Effective Date of your Franchise Agreement. (Franchise Agreement, Section 5.1). You must complete construction of the Spitz Restaurant within 270 days after the Effective Date of your Franchise Agreement. (Franchise Agreement, Section 5.3).

At the time you sign each Franchise Agreement under an Area Development Agreement, you will be required to identify the site for your first Spitz Restaurant. You must submit to us for our review, all demographic and other information regarding the proposed site and neighboring areas that we require, in the form we require, and request us to consider and accept the site ("**Site Review Request**"). (Area Development Agreement, Section 5.1). If we accept the proposed site, we will notify you of our preliminary acceptance of the site. You may begin negotiation of a lease or purchase agreement for the accepted site, subject to reasonable conditions we may impose in our notice of acceptance. You must submit a copy of the lease or purchase agreement to us for final acceptance. (Area Development Agreement, Section 5.2). After our preliminary acceptance of the site and our approval of the proposed lease or purchase agreement, we will give you execution copies of the Franchise Agreement for the proposed location, together with our current Disclosure Document if required under applicable law. You must return the signed Franchise Agreement to us within 30 days after you receive the Disclosure Document and execution copies of the Franchise Agreement (but no sooner than immediately after any applicable waiting periods required by applicable law have passed). (Area Development Agreement, Section 5.4). You must also provide a conformed copy of the fully signed lease or purchase agreement promptly after signing. Following our receipt of a final lease or purchase agreement acceptable to us, we will notify you of our final acceptance of the site. You may not sign the lease (or purchase agreement) until we deliver a Franchise Agreement signed by both you and us, and our final acceptance of the lease or purchase agreement and the site. (Area Development Agreement, Section 5.4).

You may not open your Spitz Restaurant for business until you have received our written authorization, which may be subject to our satisfactory inspection of the Spitz Restaurant at the Franchised Location. (Franchise Agreement, Section 5.4).

Technology. You must purchase, license, use and maintain an electronic point of sale **("POS")** transaction system (including a POS system network router, computer, cameras and digital video recorder, back office computer and printer and other related hardware and software) for the Spitz Restaurant as specified in the Manuals or by us in writing (the "**POS System**"). Your POS System must be capable of

accessing the Internet for the purpose of implementing software, transmitting and receiving data, and for ordering and maintaining the POS System. The POS System must be electronically accessible to us, and you must allow us to poll the POS System on a daily or other basis at the times and in the manner established by us, with or without notice, and to retrieve transaction information including sales, sales mix, usage, and other operations data that we deem appropriate. We may require that you update, upgrade or replace the POS System, including hardware and/or software, upon written notice, provided that you will not be required to replace the POS System any more frequently than once every 3 years. The POS System must include the required technology to permit you to accept online orders of Spitz products and services at your Spitz Restaurant and to accept and process Spitz gift cards sold in other Spitz Restaurants. In addition, you must purchase, lease or license all computer hardware and software designated by us for your Spitz Restaurant at your expense. During the term of your Franchise Agreement, you must maintain and update all computer hardware and software as required by us. (Franchise Agreement, Section 7.4).

It will cost you between $3,000 and $5,000 to buy the POS System and software for your Spitz Restaurant. You must purchase the POS System designated by us. Toast, Inc. located at 401 Park Drive, Suite 801, Boston, Massachusetts 02115, (617) 682-0225, is currently the only Approved Supplier for the POS System. Annual maintenance costs/subscription fees for the POS System are approximately $1,200 - $2,000 per year. You must change or upgrade the POS System if we instruct you to do so.

Internet. We have registered the Internet domain name http://www. spitz-restaurant.com and have established a site using this domain name. You acknowledge that the domain name is our sole property. You may not use in any manner, any computer medium or electronic medium (for example, any Internet home page, e-mail address, website, domain name, URL, bulletin board, newsgroup or other Internet related medium or activity) that contains the Spitz Marks, or any other words, symbols or terms confusingly similar to the Spitz Marks without our express prior written consent. We may include on our Internet web site interior pages that identify all Spitz Restaurants, including your Spitz Restaurant. (Franchise Agreement Sections 10.7 and 10.8).

We have the sole right to market on the Internet and use the Spitz Marks on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media. You may not separately register any domain name or any portion of a domain name containing the Spitz Marks or participate or market on any website or other form of electronic media (including social technology, social media and social networking platforms) using the Spitz Marks unless you first obtain written approval from us. Your general conduct on the Internet or other forms of electronic media, including your use of the Spitz Marks or any advertising, is subject to the terms and conditions of the Franchise Agreement and any other rules, requirements or policies that we may impose in the Manuals. (Franchise Agreement, Sections 2.3 and 10.7).

Intranet. We may, at our option, establish an Intranet portal through which our franchisees may communicate with each other, and through which we may communicate with you and may disseminate and provide access to the Manuals, updates and other confidential information to you. If we establish an Intranet, you must establish and maintain an electronic connection with the Intranet that allows us to send messages to and receive messages from you. We will have sole discretion and control over all aspects of the Intranet, including the content and functionality of the Intranet. You will have the privilege, but not the right, to use the Intranet, subject to your compliance with our policies and procedures, including data security. (Franchise Agreement Section 7.18).

Spitz Marketing Fund. We do not currently require you to pay a Marketing Fund Fee to us, but we reserve the right to do so in the future. We intend to establish and activate a Marketing Fund, and to require our franchisees to pay a Marketing Fund Fee of 1% of their Gross Revenue at some point in the

future. We may change the Marketing Fund Fee once annually for all franchisees, provided that the Marketing Fund Fee will not exceed 2% of your Gross Revenue. When implemented, the Marketing Fund will be administered by us and will be used to meet the costs of conducting marketing and promotional activities. The Marketing Fund may be used to pay the costs of preparing and producing video, audio and written marketing materials employing marketing agencies, sponsorship of sporting, charitable or similar events, administering regional and multi-regional marketing programs including purchasing direct mail and other media marketing, and employing marketing agencies to assist with marketing efforts, supporting public relations, market research and other marketing and promotional activities, campaigns, test marketing, marketing surveys, public relations activities, website development/operation for portal, Internet, Intranet and URL services and for 800 or similar numbers. (Franchise Agreement, Section 10.1).

When the Marketing Fund is implemented, company-owned and affiliate owned Spitz Restaurants, including any owned by the Operating Company, may, but are not required to, contribute to the Marketing Fund. If they do, they will not be required to contribute the same percentage as you and may stop contributing at any time without notice to you. We will select the Marketing Fund's administrator. If implemented, the Marketing Fund will be intended to maximize public recognition and acceptance of the Spitz Marks for the benefit of the Spitz System. The administrator will not be obligated, in administering the Marketing Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that you benefit directly or pro rata from the marketing or promotion conducted under the Marketing Fund. (Franchise Agreement, Section 10.1.1).

Your contributions to the Marketing Fund will be held in an account separate from our other funds. Your contributions to the Marketing Fund will not be used to defray any expenses of ours or the administrator's, except for the reasonable costs and overhead, if any, as each may incur, such as the costs of personnel for creating and implementing advertising, promotional and marketing programs. Any unused monies in the Marketing Fund at the end of any year will be used in the next fiscal year, and to pay any taxes on the Marketing Fund Fees. We will not use any money from the Marketing Fund for advertising that is principally a solicitation for the sale of franchises. (Franchise Agreement, Section 10.1.2). Once established, no more than once a year, we will prepare an annual accounting of the Marketing Fund and upon request distribute the accounting to Spitz Franchisees. The annual accounting will state the total amount of money collected and spent by the Marketing Fund during the previous year and will list, by general category, the manner in which we spent the money. The Marketing Fund will not be separately audited. (Franchise Agreement, Section 10.1.3).

As the Marketing Fund has not yet been established, we have no revenue or expenditures to report as of the date of this Disclosure Document.

Local Advertising. As of the date of the Franchise Disclosure Document, we bill a minimum of $1,250 monthly, and up to an additional $1600 monthly for pass through fees billed to us by independent companies for social media management and content creation as well as advertising fees for social media. The average cost of the social media advertising fees per month varies on each store's financial performance as well as overall performance. Other than these monthly management fee paid directly to our Approved Supplier and advertising fees paid directly to Facebook for social media and brand management services, we do not currently require you to spend money on local advertising and promotion of your Spitz Restaurant, but we reserve the right to do so in the future. The local advertising requirement will not exceed 1% of your Gross Revenue per month. All advertising must meet the specifications published in our Manuals. You must submit to us before use, samples of all local advertising materials, and descriptions of all local advertising programs, not prepared or previously approved by us, for our approval. You may not use any advertising material or program or use the Spitz logo or Spitz Marks in any public manner without our prior written approval. (Franchise Agreement, Section 10.2).

Cooperative Advertising Programs. We may, in the future, establish programs for co-operative marketing ("**Cooperative Advertising Programs**") to coordinate advertising, marketing efforts and programs, to serve as a conduit for the collection and expenditure of the contributed funds and to maximize the efficient use of local and/or regional marketing media. If we create a Cooperative Advertising Program for a defined coverage area (a "**Advertising Coverage Area**") in which your Spitz Restaurant is located, you (and, if we or an affiliate own a Spitz Restaurant in the Advertising Coverage Area, then we and/or our affiliate), must become a subscriber and member of the Cooperative Advertising Program and must participate in the Cooperative Advertising Program in the manner we prescribe. The size and content of an Advertising Coverage Area will be binding upon you and all other similarly situated Spitz franchisees. Each participating Spitz franchisee will be entitled to one vote for each Spitz Restaurant located within the Advertising Coverage Area as we may determine. (Franchise Agreement, Section 10.3). You and all other members of the Advertising Coverage Area whose Franchise Agreements require their participation in the Cooperative Advertising Program, will contribute to the Cooperative Advertising Program the amounts that are determined by us and 50% or more of the participating Spitz Restaurants in the Cooperative Advertising Program (not to exceed 2% of the Gross Revenue of each participating Spitz Restaurant located in the Advertising Coverage Area). (Franchise Agreement, Section 10.3.1). Any amount you must contribute to the Cooperative Advertising Program will be credited against the amount which you must spend on local advertising under your Franchise Agreement. (Franchise Agreement, Section 10.2).

We will administer the Cooperative Advertising Program and determine the policies of the Cooperative Advertising Program and the use of the available funds for media time, production of media materials, radio, television, newspapers or local marketing materials such as flyers or posters, or for any other type of advertising or marketing use. We reserve the right to establish general standards concerning the operation of the Cooperative Advertising Program, advertising agencies retained by the Cooperative Advertising Program, and marketing conducted by the Cooperative Advertising Program. Any disputes (other than pricing) arising among or between you, other Spitz franchisees, and/or the Cooperative Advertising Program will be resolved by us and our decision will be final and binding on all parties. The Cooperatives' funds will not be audited, and there will be no financial statements available for review. We have the power to require Cooperatives to be formed, changed, dissolved or merged. (Franchise Agreement, Section 10.3.2).

Grand Opening Campaign. Within 90 days of the opening of your traditional Spitz Restaurant, you must spend at least $5,000 to conduct grand opening advertising and promotion. Within 90 days of the opening of your Mobile Restaurant or Non-Traditional Venue Restaurant, you must spend no less than $2,500 to conduct grand opening advertising and promotion. Within 90 days of your opening date, you must provide us with copies of all invoices, statements, canceled checks or other forms of payment that you have issued which evidence your expenditure and payment for the grand opening advertising campaign. (Franchise Agreement, Section 10.4).

Promotional Campaigns. We may conduct promotional campaigns on a national or regional basis to promote products or marketing themes. You must participate in all promotional campaigns which we may establish for the region in which your Spitz Restaurant is located. (Franchise Agreement, Section 10.5).

Advertising Council. Currently, we have not established an Advertising Council composed of franchisees to advise us on advertising policies, but we reserve the right to form one in the future.

Initial Training Program. We will provide an Initial Training Program in the Spitz System and methods of operation (the "**Initial Training Program**") at our designated "Spitz University" training locations in Salt Lake City, Utah, Los Angeles, California, or another training location we designate, for up to 2 supervisory or managerial personnel you select who must include the Operating Partner and General Manager. If you send more than 2 supervisorial or managerial personnel to the Initial Training Program,

you must pay the Additional Training Fee set forth in Item 6. You must attend and complete the Initial Training Program to our satisfaction no later than 6 months after the Effective Date, and before the Pre-Opening Training described below. If the Spitz Restaurant is the first Spitz Restaurant to be operated by you, we will provide training, instructors, a training manual, and other materials at no charge to you. The Initial Training Program must be completed before your Spitz Restaurant opens for business. You must pay all travel, living, compensation, insurance, benefits and other expenses incurred by you and your attendees who attend the Initial Training Program. Some of the Spitz University training will be provided through on-line courses and video presentations. We will not provide the Initial Training Program if you or your affiliate (or owner of either) currently owns or operates a Spitz Restaurant or if the Franchise Agreement is executed as a Successor Franchise Agreement. (Franchise Agreement, Section 6.1). If you are purchasing an Operating Restaurant under an Asset Purchase Agreement, the Initial Training Program must be completed before you are eligible to sign a Franchise Agreement and close on the purchase.

We will also provide pre-opening training at your Spitz Restaurant for at least two weeks before your anticipated opening date ("**Pre-Opening Training**"). Some of the On-the-Job Training hours and content will be delivered during Pre-Opening Training at your Spitz Restaurant. The cost of our training staff is included in your Initial Franchise Fee. We do not charge you for their travel costs (airfare, lodging, meals, incidentals) but you must have your Spitz Restaurant staff hired and in place when Pre-Opening Training begins. You will be responsible for compensation and benefits costs of your staff incurred during Pre-Opening Training.

TRAINING PROGRAM

Subject	Hours of Classroom Training/Video Training	Hours of On-the-Job Training in Initial Training Program or at Pre-Opening Training	Location
Introduction to "Spitz"	4 hours	2 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Pre-Opening Marketing	2 hours	2 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Permits and Coding Compliance	2 hours	2 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Products, "Recipes" and Ingredients Review	2 hours	12 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant

Subject	Hours of Classroom Training/Video Training	Hours of On-the-Job Training in Initial Training Program or at Pre-Opening Training	Location
Position Training, Customer Service and Quality Control	4 hours	22 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Regulatory Compliance	2 hours	2 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
POS Training	2 hours	10 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Administration	2 hours	4 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Personnel Management	2 hours	8 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Financial Management	2 hours	4 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Marketing, Advertising & Promotion	4 hours	2 hours	Salt Lake City, Utah, Los Angeles, California, Virtual Communication Platform, Your Spitz Restaurant
Total	**28 hours**	**70 hours**	

The Initial Training Program consists of 2 to 3 weeks of pre-opening training at our designated training location in Salt Lake City, Utah, Los Angeles, California or a designated training location in your region. Training will be conducted as often as necessary to ensure that franchisees complete training before their Spitz Restaurants open.

The primary instructional material for the Initial Training Program will be the Manuals and Video. The Initial Training Program will be instructed and supervised by Bryce Rademan, Robert Wicklund and Jordan Bernhardt, who each have at least 14 years' experience with us and in the subjects covered by the Initial Training Program. Mr. Rademan and Mr. Wicklund each have 19 years,' and Mr. Bernhardt has at least 14 years' experience in the restaurant industry.

Your Operating Partner and General Manager or other supervisory or managerial personnel must faithfully attend all phases of the Initial Training Program and complete it to our satisfaction, as certified by us in writing. The failure to successfully complete any aspect of the Initial Training Program by an attendee, as we determine in our sole discretion, constitutes grounds for termination of your Franchise Agreement. (Franchise Agreement, Section 7.2). We may allow an attendee who does not satisfactorily complete the Initial Training Program to retake the Initial Training Program in our sole discretion.

You must pay costs and expenses of compensation, benefits, insurance, travel, lodging, meals and other incidental expenses incurred by your attendees at any of our training programs.

Additional Training Programs. In our discretion, we may provide you or your Operating Partner and each General Manager, or other supervisorial or managerial personnel with additional training programs ("**Additional Training Programs**"**)**. You must pay us our then-current daily fee each of our representatives that provides the Additional Training Programs to defray our direct costs of providing the Additional Training Programs. In addition, you must pay all transportation costs, food, lodging and similar costs incurred in connection with your attendance at the Additional Training Programs. (Franchise Agreement, Section 6.2).

Virtual Training and Assistance. We may provide all or any portions of the Initial Training Program, Additional Training Programs, post- opening on-site opening assistance and/or post-opening consultations remotely over a virtual communication platform designated by us. (Franchise Agreement, Sections 6.6 and 7.3).

Annual Franchisee Conference. We may hold an Annual Franchisee Conference for all Spitz franchisees each year. The Operating Partner and each General Manager must attend the Annual Franchisee Conference. You must pay us a Franchisee Conference Fee to reimburse us for a portion of the direct costs to provide the Annual Franchisee Conference. You must pay the Franchisee Conference Fee upon demand at least 30 days before the start date of the Annual Franchisee Conference, whether or not you attend the Annual Franchisee Conference. (Franchise Agreement, Section 7.23).

ITEM 12
TERRITORY

Franchise Agreement. You will be permitted to operate your Spitz Restaurant at a specific location which we accept (the Franchised Location), as described in the Franchise Agreement (Exhibit A). 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. You will be granted a protected territory ("**Protected Area**"**)** within a 1-mile radius from your Spitz Restaurant's Franchised Location as described in the Franchise Agreement. Your Protected Area will be determined by us and designated before you sign your Franchise Agreement. Factors that we consider in determining your Protected Area include the demographics, population size, age and income levels, neighboring and adjacent retail tenants, accessibility, road visibility, traffic patterns and proximity of other Spitz Restaurants or competitors serving the same market area. Provided you are not in default under your Franchise Agreement, we will not own, operate, sell or issue a franchise to another franchisee in your Protected Area. There are no other radius restrictions or minimum population requirements that limit where we can franchise or

operate another Spitz Restaurant. We may locate a Non-Traditional Venue Restaurant within your Protected Area without your consent or compensation to you.

You may not relocate the Spitz Restaurant to any other location without our prior written consent. If we approve any relocation of your Spitz Restaurant, you must de-identify the former location. If you fail to de-identify your former Spitz Restaurant, you must reimburse and indemnify and hold us harmless from all costs and expenses, including attorneys' fees, arising out of your failure to de-identify.

Mobile and Non-Traditional Venue Restaurants. If you own and operate a Mobile Restaurant under a Franchise Agreement and Mobile Addendum, we grant you the right to operate only within in a Mobile Territory specified in the Mobile Addendum. The Mobile Territory may be one or more cities, counties, states, or some other defined area. The Mobile Territory will be specified in your Mobile Addendum. During the term of the Franchise Agreement and Mobile Addendum, we will not operate or grant a license or franchise to any other person to operate a Mobile Restaurant in your Mobile Territory. We will consider the demographics, population, traffic patterns, potential trade area and other relevant information when we establish your Mobile Territory. You may not operate your Mobile Restaurant within another Spitz Restaurant's Protected Area or Mobile Territory. You may not operate your Mobile Restaurant within 2 miles of any Spitz Restaurant that is owned by another Spitz franchisee, or within the parking lots, garage areas, or streets adjacent to the Host Facility of a Non-Traditional Venue Restaurant (a "**Protected Zone**"**)**. We may reduce or enlarge a Protected Zone at any time. If you, at any time, operate your Mobile Restaurant within another Spitz franchisee's Protected Area, Mobile Territory or a Protected Zone, you will be considered to be in material default under your Franchise Agreement. If you operate a Non-Traditional Venue Restaurant, your Protected Area will be negotiated when you enter into your Franchise Agreement and Non-Traditional Venue Addendum. Generally, your Protected Area will be limited to the Host Facility or a certain area of the Host Facility and will not extend beyond the interior of the Host Facility. Larger Host Facilities may have multiple Non-Traditional Venues that may have different franchisees.

Area Development Agreement. Under the Area Development Agreement, we grant you the right to develop and operate a specified number of Spitz Restaurants at venues in a specified Development Area, subject to our approval. We will determine or approve the location of each Spitz Restaurant and the Protected Area under the Franchise Agreement at the time each Franchise Agreement is signed, and our then-current standards for approving sites and determining Protected Areas will apply. The Development Area may be one or more cities, counties, states, or some other defined area. During the term of the Area Development Agreement, we will not operate or grant a license or franchise to any other person to operate a Spitz Restaurant in your Development Area. You will not have 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. We may operate or franchise Non-Traditional Venue Restaurants to operate within Host Facilities located in your Development Area.

If you fail to meet any of your obligations under the Area Development Agreement, including the development obligations, or commit a material breach of any Franchise Agreement signed by you under the Area Development Agreement, or a material breach of any other agreement between you and us, we may terminate your right to develop, open and operate new Spitz Restaurants in the Development Area. The termination of your right to develop Spitz Restaurants in your Development Area will not terminate any the Franchise Agreement then in effect between you and us, absent a breach of the Franchise Agreement itself. After the expiration of the term of your Area Development Agreement, we may own, operate, franchise or license others to operate additional restaurants anywhere, without restriction, including in your Development Area, subject only to the Protected Area and Protected Zone granted to you in each individual Franchise Agreement.

If you wish to develop Spitz Restaurants in the Development Area in addition to those you commit to develop under the Area Development Agreement, you must notify us in writing at least 180 days before the expiration of your Area Development Agreement. If we believe that the renewal development obligation proposed by you is acceptable, we will deliver our then-current Area Development Agreement to you. If the proposed additional development obligation is not acceptable to us, we will negotiate with you in good faith for 60 days after we receive your notice to try to agree upon a mutually acceptable development schedule. If you do not exercise your option to sign a new Area Development Agreement, we may own, operate, franchise or license others to operate additional Spitz Restaurants in your Development Area subject only to the territorial rights granted to each Franchisee under the individual Franchise Agreements signed under your Area Development Agreement.

Reserved Rights and Restrictions. We expressly reserve the exclusive, unrestricted right, in our sole and absolute discretion, directly and indirectly to: (i) develop, own and operate, and to grant licenses and franchises to third parties to develop, own and operate, Spitz Restaurants at any location outside of the Protected Area or Development Area regardless of its proximity to the Spitz Restaurant; (ii) develop, own and operate, and to grant licenses and franchises to third parties to develop, own and operate, any other business other than a Competitive Business, under marks and systems different from the Spitz Marks and the Spitz System at any location within or outside of the Protected Area or Development Area, regardless of its proximity to the Spitz Restaurant; (iii) sell or distribute, at retail or wholesale, directly or indirectly, and license others to sell or distribute, Spitz Branded Products and Spitz Proprietary Products from any location within or outside of the Protected Area or Development Area regardless of proximity to the Spitz Restaurant, through the Internet, mail order catalogs, direct mail advertising and through other distribution methods and channels; (iv) market on the Internet and use the Spitz Marks on the Internet, including all use of Websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media; (v) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Spitz Restaurants and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; (vi) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Spitz Restaurants, or by another business, even if such business owns, operates, franchises and/or licenses Competitive Businesses; (vii) own or operate and to franchise or license others to own or operate Spitz Restaurants at any Non-Traditional Venue at any Host Facility within and outside of your Protected Area or Development Area regardless of their proximity to any Spitz Restaurant; and (viii) engage in all other activities that either the Franchise Agreement or the Development Agreement does not expressly prohibit. We are not required to pay you any compensation if we exercise any of the rights specified above. A "**Competitive Business**" means any restaurant business which offers and sells Mediterranean style food products as a primary menu item and any restaurant business which looks like, copies, imitates, or operates with similar trade dress or décor to the Spitz Restaurant.

The Franchise Agreement and Manuals do not impose restrictions on us, our affiliates or any of our franchisees as to the areas from which they may solicit or accept business and we, our affiliates and all of our franchisees are free to advertise or solicit business from any area desired for their respective Spitz Restaurants, subject to the general controls on advertising contained in the Franchise Agreement. However, for off-premises delivery and catering, you may deliver to and cater at addresses within your Protected Area. We reserve the right to establish delivery and catering zones outside your Protected Area by written notice to you in which we reserve the right to manage delivery and catering such that (i) you may be authorized to deliver and cater to certain areas, addresses or customers; (ii) you may be prohibited from delivery or catering to or for certain areas, customers or addresses, (iii) we may establish a rotation among Spitz Restaurant serving the general area or an assignment system based on our assessment of the delivery and catering performance of Spitz Restaurants in a market to assure the best customer experience, or (iv)

we may establish in the Operations Manual service standards for distance, packaging, temperature control and other technical aspects that affect the quality of orders at the point of delivery or serving that you must meet to be authorized to deliver and cater outside your Protected Area.

Under the Franchise Agreement, continuation of your Protected Area and Protected Zone or your Mobile Territory rights does not depend upon the volume of Gross Revenues generated or on your penetration of the market potential. You do not have the right to acquire additional franchises, options, rights of first refusal or similar rights to acquire additional franchises, although you may apply for the right to operate additional Spitz Restaurants under separate Franchise Agreements.

You are not permitted to use and display the Spitz Marks or use the System at any location other than the Franchised Location and any catering location if we authorized you to offer off-premises catering, nor do you have the right to use other channels of distribution to make sales outside your Franchised Location or your Food Truck, such as the Internet, catalog sales, telemarketing or other direct marketing. You do not have any right to exclude, control, or impose conditions on the location or development of any Spitz Restaurant, other restaurant, store or any other method of distribution under the Spitz trademark or any other trademark.

General. We and our affiliates have not established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services that would be a Competitive Business under a different trademark. Although we and our affiliates have no current plans to do so as of the Effective Date, we and our affiliates may do so in the future as described above in this Item 12.

ITEM 13
TRADEMARKS

As a Franchisee, you are licensed to use and display the trade name Spitz, and the marks using it, during the term of your Franchise Agreement and only for the operation of the Spitz Restaurant and the sale of products described on the Spitz standard menu. You may not license or sublicense any trademarks, service marks, trade names, logotypes or commercial symbols owned by us or our affiliate. The Operating Company is the owner of all rights, titles and interests in the Spitz Marks and has registered the following marks on the Principal Register of the U.S. Patent and Trademark Office ("**USPTO**"):

Mark	Registration Number	Registration Date
SPITZ HOME OF THE DÖNER KEBAB	3,372,986	January 22, 2008 Renewed: April 3, 2017
SPITZ	5,099,962	December 13, 2016
SPITZ	5,099,961	December 13, 2016
	5,099,963	December 13, 2016
SPITZ Mediterranean Street Food Craft Beer · Sangria	5,113,285	January 3, 2017

The Operating Company has issued a perpetual license to us to use and sublicense the Spitz Marks with our sale and administration of Spitz Restaurants. The license does not limit our right to use or license

the use of any of the trademarks in any manner material to the franchise. No other agreements are currently in effect which limit our use of the trademarks in any manner material to the franchise.

We claim common law rights to the trade and service marks we license to you. We or the Operating Company has filed all required affidavits.

There are no agreements currently in effect or contemplated which would significantly limit our right to use or license the use of the Spitz Marks in any manner. There are no currently effective material determinations of the Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any opposition or cancellation proceeding, or any pending litigation involving the trade name Spitz or the licensed marks. There are no agreements currently in effect that significantly limit our rights to use or license the use of the principal trademarks that are material to the franchise, nor are there any prior superior rights or infringing uses actually known to us that could materially affect your use of the licensed trade name, trademarks, or service marks. We have not, however, conducted an exhaustive search of users of names which may be the same or similar to the Spitz Marks. We are not aware of anyone other than the Operating Company who is using "**Spitz**" as a trademark or service mark. There may be similar uses to the Spitz Marks of which we are unaware, which could arise from prior users.

You must use the trade name Spitz without any suffix or prefix attached to it to identify the Spitz Restaurant. You are prohibited from using our trade name, trademarks, or service marks as part of any corporate name or using the Spitz trade name with any prefix, suffix, or other modifying words, terms, designs, or symbols. You are obligated to file a fictitious business name statement and do all other things necessary to prevent the use of the Spitz trade name, trademarks, or service marks by you from diminishing or destroying the legal protection to which they are entitled.

You must notify us of any infringement of, challenge to, or unauthorized use of the licensed name or the Spitz Marks which comes to your attention, including any claim, suit or demand against you. We may take actions we deem appropriate to protect our name or the Spitz Marks but we are not obligated by the Franchise Agreement to do so.

We have the sole right to control any litigation involving our trade name or the Spitz Marks and to compromise or settle any claim, in our discretion, at our sole cost and expense, using lawyers of our own choosing, and you must cooperate fully in defending any claim, and you may participate at your own expense in the defense or settlement. You may not make any demand against any alleged infringer, prosecute any claim or settle or compromise any claim by a third party without our prior written consent. You agree in the Franchise Agreement not to contest, directly or indirectly, our ownership, right, title, or interest in its names or the Spitz Marks, or contest our sole right to register, use, or license others to use those names and the Spitz Marks. We may add to, delete, or modify any or all of the Spitz Marks. You must modify or discontinue the use of the Spitz Marks, at your expense, if we modify or discontinue it. We will not compensate you if we modify or discontinue the Spitz Marks.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not own any rights in or to any patents. There are no pending patent or copyright applications that are material to the franchise. We have no registered copyrights, but we claim copyright protection for the Manuals and all advertising material that may be distributed by us. We will loan you one copy of the Manuals for confidential use in the Spitz Restaurant. You may not disclose, publish, sell, show, or reproduce the Manuals and you must return the Manuals to us intact upon termination or expiration of the Franchise Agreement or Area Development Agreement.

We regard our recipes, our particular method of producing our menu items and food products and operating an upscale fast casual Mediterranean restaurant, and all the information contained in the Manuals, as proprietary information owned by us. You agree, as part of the Franchise Agreement, not to contest our exclusive ownership of the copyrights, trade secrets, recipes, processes, methods, procedures, formulae, techniques, and other proprietary information to which we claim exclusive rights. You are not given any rights in other trade secrets or proprietary or confidential information developed by us in the future. You must implement any reasonable procedures we may adopt to protect our trade secrets including restrictions on disclosures to your employees and requiring employees who will have access to our trade secrets to sign employment agreements containing non-disclosure and non-competition provisions. There are no prior superior rights or infringing uses actually known to us that could materially affect your use of the copyrights, trade secrets, processes, methods, procedures, or other proprietary information described above. There are no agreements currently in effect that limit our rights to use or license the above-mentioned copyrights in any manner.

All ideas, concepts, techniques or materials created by you while you are a Spitz franchisee, whether or not protectable intellectual property, must be promptly disclosed to us and will become our exclusive property and a part of the Spitz franchise system as a work made for hire for us without compensation to you.

The goodwill associated with all phone and fax numbers, email addresses, domain names, social media and other Internet addresses used in operation of the Spitz Restaurant is an asset that belongs to us. Upon cancellation, termination or expiration of the Franchise Agreement, you will be deemed to have assigned to us or our designee all right, title and interest in and to these and/or services associated with the same. You must sign the instruments we request to confirm the assignments and transfers to us.

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

You must designate an Operating Partner acceptable to us who will be responsible for the supervision and operational decisions of the Spitz Restaurant. Your Operating Partner must devote his or her full time to the Spitz Restaurant and must own at least 10% interest in your equity and voting rights, unless you are a publicly held entity or a wholly-owned subsidiary of a publicly-held entity when you sign the Franchise Agreement. Your Spitz Restaurant must, at all times, be directly supervised by your Operating Partner or a General Manager or other supervisory or managerial personnel who have successfully completed our Initial Training Program. You must provide comprehensive initial training programs, additional training programs and remedial training programs for your other employees. You, your Operating Partner, each General Manager and all other supervisory and managerial personnel must successfully complete the applicable ServSafe Food Safety Certification Program for food handlers, managers or alcoholic beverage servers. We may require each of your owners and other supervisorial or managerial personnel who have access to any confidential information we disclose to you to sign a Confidentiality and Non-Disclosure Agreement in substantially the form of **Exhibit F**.

All present and future owners of the equity or your voting rights, including spouses (and family members who live in the same household, with the exception of minor children) must execute a written guarantee in a form we prescribe, personally, irrevocably and unconditionally guaranteeing, jointly and severally, with all other guarantors, the full payment and performance of your obligations to us and to our affiliate. Upon each transfer or assignment of your interest in the Franchise Agreement, or other change in your ownership interests, and at any other time we request, these holders must re-execute a written guarantee in a form we prescribe.

All employees you hire or employ at your Spitz Restaurant will be your employees and your employees alone, and will not, for any purpose, be deemed to be our employees or subject to our direct or indirect control, most particularly with respect to any mandated or other insurance coverage, taxes or contributions, or requirements regarding withholdings, levied or fixed by any governmental authority. You will file your own tax, regulatory and payroll reports, and be responsible for paying all taxes, contributions, insurance premiums and other costs of employee benefits and workers compensation insurance for your employees and operations. Under the Franchise Agreement, we train and qualify your supervisory or managerial personnel to perform certain functions at your Spitz Restaurant related to the Spitz System only. You and you alone will be solely responsible for all hiring. supervision, and employment decisions and functions relating to the Spitz Restaurant, including those related to hiring, firing, scheduling, training, compensation, benefits, compliance with wage and hour and other legal requirements, personnel policies, benefits, recordkeeping, and discipline of employees, regardless of whether you have received advice from us on these subjects or not. Any guidance we may give you regarding employment policies should be considered merely examples. You will be responsible for establishing and implementing your own employment practices and policies. We suggest that you obtain the advice of local legal counsel experienced in employment law.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Except as described below, you must offer and sell all, and only, those goods and services that we approve. We may add, delete, and change menu items that you may or must offer, in our unrestricted discretion, and this may require you to purchase additional equipment, ingredients, packaging and inventory. There are no limits on our right to make these changes. You must operate your Spitz Restaurant at the accepted Franchised Location and may not relocate your Spitz Restaurant without our prior written consent. The Spitz Restaurant must, at all times, be directly supervised by the Operating Partner or a General Manager who has successfully completed our training program. The General Manager does not need to have an ownership interest in an entity franchisee. We may require your Operating Partner, General Manager and others who will have access to our trade secrets and other confidential information to sign a Confidentiality and Non-Disclosure Agreement in substantially the form attached as **Exhibit G**.

You may not operate any co-branding system at the Franchised Location of on the Mobile Restaurant without our prior written consent, which may be withheld unless we recognize the co-branding chain as an approved co-brand for operation within Spitz Restaurants. "**Co-branding**" includes the operation of an independent business, product line or operating system owned or licensed by another franchisor that is featured or incorporated within the Franchised Location or is adjacent to the Franchised Location and is operated in a manner likely to cause the public to perceive that it is related to your Spitz Restaurant.

You must operate your Spitz Restaurant in compliance with the terms of your Franchise Agreement and the Manuals. You alone will exercise day-to-day control over all operations, activities and elements of the Spitz Restaurant, including over your employees. Under no circumstance will we do so or be deemed to do so. The various requirements, restrictions, prohibitions, specifications and procedures of the Spitz System with which you must comply under the Franchise Agreement and the Manuals do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Spitz Restaurant, but only constitute standards to which you must adhere when exercising your control over the day-to-day operations of your Spitz Restaurant consistent with our policies.

We may, on occasion, require you to test market products and/or services at your Spitz Restaurant. You must cooperate with us in conducting these test marketing programs and must comply with all rules and regulations established by us.

No vending, gaming machines, payphones, automatic teller machines, Internet kiosks or other mechanical or electrical devices are permitted in your Spitz Restaurant without our prior written consent.

Unless we authorize you to offer catering services from your Spitz Restaurant, you are not permitted to use or display the Spitz Marks or use the Spitz System at any location other than the Franchised Location, nor do you have the right to use other channels of distribution, including the Internet, to make sales outside of your Franchised Location. You cannot sell Authorized Spitz Products on the Internet except for take-out from the Spitz Restaurant or local delivery from the Spitz Restaurant.

Gift Cards, Loyalty, CRM, Social Media Software, Online and Mobile Ordering Programs. You may not create or issue any gift certificates or gift cards and may only sell gift certificates or gift cards that have been issued by us that are accepted at all Spitz Restaurants. You must participate in all gift certificate and/or gift card administration programs as we may designated from time to time. You must honor all coupons, gift certificates, gift cards and other programs or promotions we direct. You must fully participate in all guest loyalty or frequent customer programs now or in the future adopted or approved by us. You must not issue coupons or discounts of any type for use at your Spitz Restaurant except as approved by us in writing. In addition, you must purchase, enroll in or subscribe to, as applicable, all CRM, social media analytics and online and mobile ordering software or programs that we designate. We may change the designated suppliers of these or similar services in our discretion. You must change, purchase or subscribe to the additional programs or software, as applicable, after we give you notice to do so.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement, Area Development Agreement and Asset Purchase Agreement. You should read these provisions in the agreements attached to this Disclosure Document.

FRANCHISE AGREEMENT

Provision	Section in Franchise Agreement (Exhibit A)	Summary
a. Length of the term of the franchise	Sections 1 and 3.1	10 years
b. Renewal or extension of the term	Sections 1 and 3.2	Two 5 year options to enter into a Successor Franchise Agreement on our then-current form
c. Requirements for Franchisee to renew or extend	Section 3.3	You must have complied with your obligations during the term of your Franchise Agreement; at our request, renovate or modernize your Spitz Restaurant to comply with our then-current standards for a new Spitz Restaurant; sign our then-current form of Franchise Agreement that may contain terms and conditions materially different from those in your original Franchise Agreement; satisfy our then-current

Provision	Section in Franchise Agreement (Exhibit A)	Summary
		training requirements; pay a Successor Fee and sign a general release (subject to applicable state law). The royalty and other fee payments under your Successor Franchise Agreement will be at the rates and formulae then applicable to new franchisees.
d. Termination by Franchisee	Section 16.9	You may terminate the Franchise Agreement due to a material default by us which is not cured by us within 60 days after we receive written notice from you of the alleged default. If the default cannot reasonably be cured in that 60-day period, we will not be in default under the Franchise Agreement if we commence to cure the default within 60 days and diligently continue to prosecute the same to completion.
e. Termination by Franchisor without cause	Not Applicable	Not Applicable
f. Termination by Franchisor with cause	Sections 16.1 – 16.3 and 16.5	We can terminate the Franchise Agreement if you materially default under your Franchise Agreement, any other individual Franchise Agreement, any Area Development Agreement, or any other agreement between you and us.
g. "Cause" defined – curable defaults	Section 16.3	You have 5 days to cure non-payment of fees and 10 days to cure non-compliance with laws and defaults not listed in Section 16.2
h. "Cause" defined non-curable defaults	Sections 16.1 and 16.2	Non curable defaults include: bankruptcy, foreclosure, and insolvency; abandonment; unapproved transfers; repeated defaults, even if cured; misrepresentations in acquiring your license; health or safety violations; trademark misuse; conviction of a felony; failure, for a period of 10 days after notification of noncompliance, to comply with any state or local law or regulation applicable to the operation of the Spitz Restaurant; knowingly maintaining false books or records or submitting false reports or knowingly underreporting Gross Revenue; materially misusing the Spitz Marks; making an unauthorized use of the trade secrets or confidential information; failing to purchase appropriate inventory; purchasing products from non-approved suppliers; a breach of your obligations under the Franchise Agreement or other Agreement between you and us that is not capable of being cured by you; failure to obtain promised funding within 10 days of signing the Franchise Agreement; engaging in fraudulent, dishonest, unethical,

Provision	Section in Franchise Agreement (Exhibit A)	Summary
		immoral or similar conduct in connection with your operation of the Spitz Restaurant; and engaging in any lewd or immoral conduct whether or not in connection with your operation of the Spitz Restaurant.
i. Franchisee's obligations on termination/nonrenewal	Sections 17.1 – 17.4, 17.6-17.8	You must cease use of our trademarks, de-identify the Spitz Restaurant, pay all amounts due to us, and return the Manuals. We may, at our option, assume all telephone numbers for the Spitz Restaurant. You must, at our option, cancel or assign to us your rights to any Internet websites or webpages or e-mail addresses or assumed, fictitious or corporate names which contain our Marks. See also "r" below.
j. Assignment of contract by Franchisor	Section 14.1	No restriction on our right to assign.
k. "Transfer" by Franchisee – definition	Section 14.2	Includes transfer of the agreement or change in ownership of the business entity which owns it.
l. Franchisor's approval of transfer by Franchisee	Section 14.2	Transfers require our prior written consent, which will not be unreasonably withheld.
m. Conditions for Franchisor's approval or transfer	Sections 14.2 – 14.4	The proposed transferee must qualify, successfully complete our initial training program, sign our then-current Franchise Agreement (provided, that the term of the new Franchise Agreement will be the remaining term of the existing Franchise Agreement) and you must be in good standing, sign a general release (subject to applicable state law) and pay the transfer fee. See also "r" below. If the Franchise Agreement has been signed under an Area Development Agreement, except as described below, you must concurrently assign all other existing Franchise Agreements to the same assignee.
n. Franchisor's right of first refusal to acquire Franchisee's business	Section 14.3	We can match any offer for your business.
o. Franchisor's option to purchase	Section 17.5	When your Franchise Agreement expires or is terminated, we have the option to purchase the assets of the Spitz

Provision	Section in Franchise Agreement (Exhibit A)	Summary
Franchisee's business		Restaurant and all of your assets related to the Spitz Restaurant.
p. Death or disability of Franchisee	Section 14.5	Your spouse, heirs or personal representative has 180 days to purchase your interest or complete an assignment of your interest to a qualified, approved third party, subject to the transfer provisions.
q. Non-competition covenants during the term of the franchise	Section 15.2	You are prohibited from: (i) diverting any present or prospective Spitz customer to any competitor or performing any other act injurious or prejudicial to the goodwill associated with the Spitz Marks and the Spitz System; or (ii) owning or having any interest in a Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	Section 15.3	For 2 years following the expiration or termination of your Franchise Agreement, you cannot own or have any interest in a Competitive Business located at the Franchised Location or within a 20 mile radius of any Spitz Restaurant or the Franchised Location. If you violate the post-term covenant not to compete, you must pay us, throughout the 2 year period following the termination, transfer, or expiration of your Franchise Agreement, 6% of the Gross Revenue of any Competitive Business at or from the Franchised Location or any site within a 20 mile radius of any Spitz Restaurant or the Franchised Location.
s. Modification of the agreement	Sections 6.3 and 21.5	The Manuals are subject to change. You must comply with any changes set forth in the Manuals. The Franchise Agreement cannot be modified or changed except by written instrument signed by all of the parties.
t. Integration/merger clause	Section 21.5	Only the terms of the Franchise Agreement and other related documents are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	None	

Provision	Section in Franchise Agreement (Exhibit A)	Summary
v. Choice of forum	Section 19.1	All proceedings will be held in state or federal courts situated in Salt Lake County, Utah, subject to applicable state law.
w. Choice of law	Section 19.1	Delaware, subject to the exception provided in Section 19.2 of the Franchise Agreement and applicable state law.

AREA DEVELOPMENT AGREEMENT

Provision	Section in Development Agreement (Exhibit B)	Summary
a. Length of the term of the Area Development	Sections 1 and 3	5 years
b. Renewal or extension of the term	Section 2.7	5 years
c. Requirements for Area Developer to renew or extend	Section 2.7	You must sign our then-current Area Development Agreement, which will contain your additional development obligations during the renewal term; you must sign a general release (subject to applicable state law); you may be asked to sign a Franchise Agreement that contains terms and conditions materially different from those in your previous agreements; you must have fulfilled all of your obligations under the Area Development Agreement; you must demonstrate your financial ability to implement and complete your renewal development obligations; you must pay the renewal fee.
d. Termination by Area Developer	Not Applicable	Not Applicable
e. Termination by Franchisor without cause	Not Applicable	Not Applicable

Provision	Section in Development Agreement (Exhibit B)	Summary
f. Termination by Franchisor with "cause"	Section 11.5	We can terminate the Area Development Agreement if you default under your Area Development Agreement, an individual Franchise Agreement, or any other agreement between you or your affiliate and us. Termination of a Franchise Agreement constitutes cause for termination of a related Area Development Agreement.
g. "Cause" defined – curable defaults	Section 11.3	You have 30 days to cure defaults under your Area Development Agreement, and in the case of a breach or default in the performance of your obligations under any Franchise Agreement or other agreement between you and us, the notice and cure provisions of the Franchise Agreement or other agreement will control.
h. "Cause" defined non-curable defaults	Sections 11.1 and 11.2	Non-curable defaults include: bankruptcy, insolvency; receivership; unapproved transfers; failure to meet your development obligations; any breach of the covenants not to compete set forth in Section 13; repeated defaults, even if cured; unapproved transfers; termination of any of your Franchise Agreements; conviction of a felony; disclosure of confidential information; a breach of your obligations under the Area Development Agreement or other agreement between you and us that is not capable of being cured by you; failure to obtain promised funding within 10 days of signing the Area Development Agreement; engaging in fraudulent, dishonest, unethical, immoral or similar conduct in connection with your development of Spitz Restaurants; and engaging in any lewd or immoral conduct whether or not in connection with your development of Spitz Restaurants.
i. Area Developer's obligation on termination/non-renewal	Section 12.1	You will have no further right to develop or operate additional Spitz Restaurants which are not, at the time of termination, the subject of a ten validly existing Franchise Agreement between you and us. You may continue to own and operate all Spitz Restaurants under then validly existing Franchise Agreements
j. Assignment of contract by Franchisor	Section 9.1	No restrictions on our right to assign.
k. "Transfer" by Area Developer – defined	Section 9.2	Includes transfer of the agreement or changes in ownership of the business entity which owns it. No shares of an Area Developer which is a business entity may be offered for sale

Provision	Section in Development Agreement (Exhibit B)	Summary
		through the public offering of securities. Shares may be offered by private offering with our prior written consent.
l. Franchisor's approval of transfer by Area Developer	Section 9.2	Transfer require our prior written consent, which will not be unreasonably withheld.
m. Conditions for Franchisor's approval or transfer	Sections 9.2.1 and 9.4	Except as described below, you may not transfer any Franchise Agreement signed under the Area Development Agreement except with our written consent and a simultaneous assignment of the Area Development Agreement and all of the Franchise Agreements signed under the Area Development Agreement to the same assignee. The proposed buyer must sign our then-current form of Franchise Agreement for each of your Spitz Restaurants then developed or under development. The proposed transferee must qualify as a franchisee and sign our then-current Area Development Agreement and you must be in good standing, sign a general release (subject to applicable state law) and pay the transfer fee. See also "r" below.
n. Franchisor's right of first refusal to acquire Area Developer's business	Section 9.3	We can match any offer for your business.
o. Franchisor's option to purchase Area Developer's business	Section 9.1	We may sell our assets, the Spitz Marks or the Spitz System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring (each a "Capital Event") all without your consent or approval by you. Upon the occurrence of a Capital Event, we have the right to compel you to sell to us the assets of all your Spitz Restaurants, whether or not they are open or under construction.
p. Death or disability of Area Developer	Section 9.5	Your spouse, heirs or personal representative has 180 days to purchase your interest or complete an assignment of your interest to a qualified, approved third party, subject to the transfer provisions.

Provision	Section in Development Agreement (Exhibit B)	Summary
q. Non-competition covenants during the term of the franchise	Section 13.2	You are prohibited from: (i) diverting any present or prospective Spitz customer to any competitor or performing any other act injurious or prejudicial to the goodwill associated with the Spitz Marks and the Spitz System; or (ii) owning or having any interest in a Competitive Business.
r. Non-competition covenants after the franchise is terminated or expires	Section 13.3	For 2 years following the expiration or termination of your Franchise Agreement, you cannot own or have any interest in a Competitive Business at a Franchised Location, except under another effective Franchise Agreement with us, or any location within a 20 mile radius of any Spitz Restaurant or a Franchised Location.
s. Modification of the Area Development Agreement	Section 18.5	The Area Development Agreement can be modified or amended only by written agreement of all the parties.
t. Integration/merger clause	Section 18.5	Only the terms of the Area Development Agreement and other related documents are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	None	
v. Choice of forum	Section 15.1	All proceedings will be held in state or federal courts situated in Salt Lake County, Utah, subject to applicable state law.
w. Choice of law	Section 15.1	Delaware, subject to the exception provided in Section 15.2 of the Area Development Agreement and applicable state law.

MOBILE RESTAURANT ADDENDUM

Provision	Section in Mobile Restaurant Addendum (Exhibit E)	Summary
a. Length of the term of the franchise	Article 2	10 years
b. Renewal or extension of the term	Article 2, Section 3.2 of the Franchise Agreement	Two 5 year options
c. Requirements for Franchisee to renew or extend	Section 3.3 of Franchise Agreement	You must have complied with your obligations during the term of your Franchise Agreement; at our request, renovate or modernize your Spitz Restaurant to comply with our then-current standards for a new Spitz Restaurant; sign our then-current form of Franchise Agreement that may contain terms and conditions materially different from those in your original Franchise Agreement; satisfy our then-current training requirements; pay a renewal fee and sign a general release (subject to applicable state law). The royalty payments under your renewal Franchise Agreement will be at the rates then applicable to new franchisees.
d. Termination by Franchisee	Section 16.9 of Franchise Agreement	You may terminate the Franchise Agreement due to a material default by us which is not cured by us within 60 days after we receive written notice from you of the alleged default. If the default cannot reasonably be cured in that 60 day period, we will not be in default under the Franchise Agreement if we commence to cure the default within 60 days and diligently continue to prosecute the same to completion.
e. Termination by Franchisor without cause	Not Applicable	Not Applicable
f. Termination by Franchisor with cause	Article 5, Sections 16.1 – 16.3 and 16.5 of Franchise Agreement	We can terminate the Franchise Agreement if you materially default under your Franchise Agreement, any other individual Franchise Agreement, any Area Development Agreement, or any other agreement between you and us.
g. "Cause" defined – curable defaults	Section 16.3 of Franchise Agreement	You have 5 days to cure non-payment of fees and 10 days to cure non-compliance with laws and defaults not listed in Section 16.2

Provision	Section in Mobile Restaurant Addendum (Exhibit E)	Summary
h. "Cause" defined non-curable defaults	Sections 16.1 and 16.2 of Franchise Agreement	Non curable defaults include: bankruptcy, foreclosure, and insolvency; abandonment; unapproved transfers; repeated defaults, even if cured; misrepresentations in acquiring your license; health or safety violations; trademark misuse; conviction of a felony; failure, for a period of 10 days after notification of noncompliance, to comply with any state or local law or regulation applicable to the operation of the Spitz Restaurant; knowingly maintaining false books or records or submitting false reports or knowingly underreporting Gross Revenue; materially misusing the Spitz Marks; making an unauthorized use of the trade secrets or confidential information; failing to purchase appropriate inventory; purchasing products from non-approved suppliers; and a breach of your obligations under the Franchise Agreement or other Agreement between you and us that is not capable of being cured by you.
i. Franchisee's obligations on termination/nonrenewal	Sections 17.1 – 17.4, 17.6-17.8 of Franchise Agreement	You must cease use of our trademarks, de-identify the Spitz Restaurant, pay all amounts due to us, and return the Manuals. We may, at our option, assume all telephone numbers for the Spitz Restaurant. You must, at our option, cancel or assign to us your rights to any Internet websites or webpages or e-mail addresses or assumed, fictitious or corporate names which contain our Marks. See also "r" below.
j. Assignment of contract by Franchisor	Section 14.1 of Franchise Agreement	No restriction on our right to assign.
k. "Transfer" by Franchisee – definition	Section 14.2 of Franchise Agreement	Includes transfer of the agreement or change in equity ownership of the business entity which owns it.
l. Franchisor's approval of transfer by Franchisee	Section 14.2 Franchise Agreement	Transfers require our prior written consent, which will not be unreasonably withheld.

Provision	Section in Mobile Restaurant Addendum (Exhibit E)	Summary
m. Conditions for Franchisor's approval or transfer	Sections 14.2 – 14.4 of Franchise Agreement	The proposed transferee must qualify, successfully complete our initial training program, sign our then-current Franchise Agreement (provided, that the term of the new Franchise Agreement will be the remaining term of the existing Franchise Agreement) and you must be in good standing, sign a general release (subject to applicable state law) and pay the transfer fee. See also "r" below. If the Franchise Agreement has been signed under an Area Development Agreement, except as described below, you must concurrently assign all other existing Franchise Agreements to the same assignee.
n. Franchisor's right of first refusal to acquire Franchisee's business	Article 6, Section 14.3 of Franchise Agreement	We can match any offer for your business.
o. Franchisor's option to purchase Franchisee's business	Section 17.5 of Franchise Agreement	When your Franchise Agreement expires or is terminated, we have the option to purchase the assets of the Spitz Restaurant and all of your assets related to the Spitz Restaurant.
p. Death or disability of Franchisee	Section 14.5 of Franchise Agreement	Your spouse, heirs or personal representative has 180 days to purchase your interest or complete an assignment of your interest to a qualified, approved third party, subject to the transfer provisions.
q. Non-competition covenants during the term of the franchise	Section 15.2 of Franchise Agreement	You are prohibited from: (i) diverting any present or prospective Spitz customer to any competitor, or performing any other act injurious or prejudicial to the goodwill associated with the Spitz Marks and the Spitz System; or (ii) owning or having any interest in a Competitive Business.

Provision	Section in Mobile Restaurant Addendum (Exhibit E)	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section 15.3 of Franchise Agreement	For 2 years following the expiration or termination of your Franchise Agreement, you cannot own or have any interest in a Competitive Business located at the Franchised Location or within a 20 mile radius of any Spitz Restaurant or the Franchised Location. If you violate the post-term covenant not to compete, you must pay us, throughout the 2 year period following the termination, transfer, or expiration of your Franchise Agreement, 6% of the gross revenue of any Competitive Business at or from the Franchised Location or any site within a 20 mile radius of any Spitz Restaurant or the Franchised Location.
s. Modification of the agreement	Sections 6.3 and 21.5 of Franchise Agreement	The Manuals are subject to change. You must comply with any changes set forth in the Manuals. The Franchise Agreement cannot be modified or changed except by written instrument signed by all of the parties.
t. Integration/merger clause	Section 21.5 of Franchise Agreement	Only the terms of the Franchise Agreement and other related documents are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	None	
v. Choice of forum	Section 19.1 of Franchise Agreement	All proceedings will be held in state or federal courts situated in Salt Lake County, Utah, subject to applicable state law.
w. Choice of law	Section 19.1 of Franchise Agreement	Delaware, subject to the exception provided in Section 19.2 of the Franchise Agreement and applicable state law.

ASSET PURCHASE AGREEMENT

Provision	Section in Purchase Agreement (Exhibit C)	Summary
a. Length of the term of the franchise	Not Applicable	Not Applicable
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for Franchisee to renew or extend	Not Applicable	Not Applicable
d. Termination by Franchisee	Not Applicable	Not Applicable
e. Termination by Franchisor without cause	Not Applicable	Not Applicable
f. Termination by Franchisor with cause	Not Applicable	Not Applicable
g. "Cause" defined – curable defaults	Not Applicable	Not Applicable
h. "Cause" defined non-curable defaults	Not Applicable	Not Applicable
i. Franchisee's obligations on termination/nonrenewal	Not Applicable	Not Applicable
j. Assignment of contract by Franchisor	Not Applicable	Not Applicable
k. "Transfer" by Franchisee – definition	Not Applicable	Not Applicable
l. Franchisor's approval of transfer by Franchisee	Not Applicable	Not Applicable
m. Conditions for Franchisor's approval of transfer	Not Applicable	Not Applicable
n. Franchisor's right of first refusal to acquire Franchisee's business	Not Applicable	Not Applicable
o. Franchisor's option to purchase Franchisee's business	Not Applicable	Not Applicable
p. Death or disability of Franchisee	Not Applicable	Not Applicable
q. Non-competition covenants during the term of the franchise	Not Applicable	Not Applicable
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable

Provision	Section in Purchase Agreement (Exhibit C)	Summary
s. Modification of the agreement	Section 15(d)	Must be in writing signed by both parties.
t. Integration/merger clause	Section 15(d)	Only the terms of the Purchase Agreement and its other related documents are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Purchase Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable
v. Choice of forum	Article 14	Salt Lake County, Utah, subject to state law.
w. Choice of law	Article 14	Delaware, subject to state law.

ITEM 18
PUBLIC FIGURES

No compensation or other benefit is given or promised to a public figure for the use of a public figure in the name or symbol of the Spitz Restaurant or the endorsement or recommendation of the Spitz Restaurant by a public figure in advertisements. You do not have the right to use the name of any public figure in promotional efforts or advertising without prior written approval from us. No public figures are involved in the actual management or control of Radwick Franchising, LLC.

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 of a particular location or under particular circumstances.

Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon reasonable request.

Gross Revenue, Operating Expenses and Net Profit At 21 Franchised Spitz Restaurants During the Period January 1, 2025 Through December 31, 2025 (As Of December 31, 2025, There Were A Total Of 28 Franchised Spitz Restaurants) (SEE NOTES 1 –9)

TABLE 1

	Average (Note 7)	Percent of Gross Revenues
Gross Revenues (Note 2)	$1,715,616.70	100.00000%
Operating Expenses (Note 3)	$ 1,478,782.98	86.19542%
Food Cost	$ 377,513.58	22.00454%
Supplies and Materials	$ 28,221.19	1.64496%
Labor Cost	$ 415,719.37	24.23148%
Gross Rent	$ 111,854.89	6.51981%
Other Costs	$ 451,115.03	26.29463%
Royalties	$ 94,358.92	5.50000%
Net Profit (Note 4)	$ 236,833.72	13.80458%

Of the 21 Spitz Restaurant franchises reporting complete 2025 financial performance information, eight or 38% reported Gross Revenues at or above the average shown in Table 1. The Median Gross Revenues of the 21 Franchise Restaurants for 2025 was $1,579,574.28. The range of Gross Revenue was from $957,851.58 to $2,653,309.89. Seven Franchised Restaurants are omitted from the data set because they were not open and operating for all of 2025.

Gross Revenue, Operating Expenses, Net Profit and Imputed Royalties At 4 Affiliate-Owned Spitz Restaurants During the Period January 1, 2025 Through December 31, 2025 (As Of December 31, 2025, There Were A Total Of 4 Affiliate-Owned Spitz Restaurants) (See Notes 1 –9)

TABLE 2

	Average	Percentage of Gross Revenue
Gross Revenue (Note 2)	$2,117,767.03	100.00%
Operating Expenses (Note3)	$1,956,965.50	92.411%
Food Cost	$ 402,277.38	18.996%
Supplies and Materials	$ 34,965.24	1.651%
Labor Cost	$ 592,765.79	27.991%
Gross Rent	$ 125,125.95	5.909%
Other Costs	$ 685,358.95	32.364%
Imputed Royalties (Note 5)	$ 116,472.18	5.500%
Net Profit (Notes 4, 6)	$ 160,710.53	7.589%

Of the four Spitz Restaurant owned by Affiliates reporting 2025 financial performance information, one or 25% reported Gross Revenues at or above the average shown in Table 2. The Median Gross Revenues of the Affiliate-Owned Spitz Restaurants for 2025 was $1,855,646.29. The range of Gross Revenue in 2025 was from $1,617,148.28 to $3,142,263.26 for these four Spitz Restaurants.

NOTE 1:

Table 1 includes actual historical unaudited information we have received from franchisees for 21 Spitz Restaurants that were owned and operated by our franchisees in 2025. All of these franchised Spitz Restaurants are operations similar to the franchise offered in this Disclosure Document. New outlets with different sized seating, bar and kitchen areas may differ materially in performance from these outlets. We compiled Table 1 from reports submitted to us by certain Spitz franchisees on their Gross Revenue (as defined in Note 3), Operating Expenses (as defined in Note 4) and Net Profit (as defined in Note 5).

On December 31, 2025, there were a total of 28 franchised Spitz Restaurants owned and operated by our franchisees only 21 of which were in operation for a full calendar year on December 31, 2025 and reported financial information for the entire year. The 21 franchised Spitz Restaurants included in Table 1 were selected because the information was available to us and believed to be complete, accurate and reliable. All information is unaudited.

Table 2 includes actual historical unaudited information we have accumulated for four Spitz Restaurants that were owned and operated by our affiliate in 2025. All of these affiliate-owned Spitz Restaurants are operations similar to the franchise offered in this Disclosure Document. Table 2 information was taken from reports submitted to us by our affiliate on Gross Revenue (as defined in Note 3), Operating Expenses (as defined in Note 4), Net Profit (as defined in Note 5) and Imputed Royalties (as defined in Note 6) for the affiliate-owned Spitz Restaurants.

On December 31, 2025, there were a total of four affiliate-owned Spitz Restaurants. All four affiliate-owned Spitz Restaurants are included in Table 2.

NOTE 2:

For purposes of Tables 1 and 2, "**Gross Revenues**" means the aggregate of the total of all revenues derived from sales of any nature or kind whatsoever from each Spitz Restaurant included in these Tables, whether received in cash, services, property, barter, or other means of exchange, including orders taken in or from the Spitz Restaurants although filled elsewhere. Gross Revenue includes the full value of meals provided to employees as incident to their employment (less the value of any discounts against Gross Revenue given during the month in which the meals were provided) and all proceeds from the sale of coupons, gift certificates or vouchers. Gross Revenue excludes the amount of bona fide refunds paid to customers and the amount of sales or use taxes actually paid to any governmental authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed.

NOTE 3:

For purposes of Tables 1 and 2, "**Operating Expenses**" means our franchisees' (Table 1) and our affiliate's (Table 2) expenses for food, supplies and material, labor, rent and other costs (such as non- alcoholic beverages, liquor, beer, wine, cleaning supplies, laundry, office supplies, kitchen supplies, restaurant supplies, repairs and maintenance, advertising, pest control, bank charges, dues and subscriptions, postage and delivery, legal and accounting, licenses and permits, utilities, trash and third party delivery fees).

NOTE 4:

For purposes of Tables 1 through 4, "**Net Profit**" means Gross Revenue less Operating Expenses.

NOTE 5:

Based upon the Gross Revenue of the affiliate-owned Spitz Restaurants, we have included in Table 2 Imputed Royalty fees that a franchisee would incur at 5.5% of Gross Revenue, which the affiliate-owned Spitz Restaurants did not incur. If the Restaurants were franchised, then Imputed Royalties would be deducted as an expense to produce Net Profit.

NOTE 6:

For purposes of Tables 1 and 2, "**Average**" means the aggregate in each category divided by the total number of Spitz Restaurants included in Table 1 and Table 2, respectively.

NOTE 7:

For purposes of Tables 1 and 2, "**Median**" means the midpoint dollar and percentage value in each category across all franchised Spitz Restaurants and all affiliate-owned Spitz Restaurants included in Tables 1 and 2, respectively. The Median for a category with an odd number of data points will be the center number in that set.

Other than the preceding financial performance representation, Radwick Franchising, LLC 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 by contacting our President, Bryce Rademan, 12300 S. 62 E., Draper, Utah 84020, (323) 839-0389, brycerademan@spitzrestaurant.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

Some Spitz Restaurants have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1 SYSTEM-WIDE RESTAURANT SUMMARY

FOR FISCAL YEARS 2023 TO 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	10	15	+5
	2024	15	20	+5
	2025	20	28	+8
Company Owned	2023	5	5	0
	2024	5	5	0
	2025	5	4	-1
Total Outlets	**2023**	**15**	**20**	**+5**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2024	**20**	**25**	**+5**
	2025	**25**	**32**	**+7**

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
FOR FISCAL YEARS 2023 TO 2025

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

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR FISCAL YEARS 2023 TO 2025

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Ceased Operations – Other Reasons	Outlets at End of the Year
Alabama	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Arizona	2023	0	2	0	0	0	2
	2024	2	2	1	0	0	3
	2025	3	0	0	0	0	3
California	2023	0	0	0	0	0	1
	2024	0	1	0	0	0	1
	2025	1	2	0	0	0	3
Colorado	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Minnesota	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Montana	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	2	0	0	0	3
Oregon	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Texas	2023	2	0	0	0	0	2
	2024	2	1	0	0	0	3
	2025	3	1	0	0	0	4
Utah	2023	6	0	0	0	0	6
	2024	6	1	0	0	0	7

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Ceased Operations – Other Reasons	Outlets at End of the Year
	2025	7	1	0	0	0	8
Virginia	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
Total Outlets	**2023**	**10**	**5**	**0**	**0**	**0**	**15**
	2024	**15**	**6**	**1**	**0**	**0**	**20**
	2025	**20**	**8**	**0**	**0**	**0**	**28**

TABLE NO. 4
STATUS OF COMPANY OWNED OUTLETS FOR FISCAL YEARS 2023 TO 2025

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

TABLE NO. 5
PROJECTED OPENINGS AS OF DECEMBER 31, 2025

State	Franchise Agreements Signed But Outlets Not Opened	New Franchised Outlets In The Next Fiscal Year	Projected New Company Owned Outlets In The Next Fiscal Year
Arizona	1	1	0
California	5	4	0
Colorado	1	1	0
Connecticut	1	1	0
Georgia	1	0	0
Maryland	1	0	0
Minnesota	1	0	0
Utah	2	1	0
Virginia	1	0	0
Totals	**14**	**8**	**0**

The contact information for our current franchisees is listed on **Exhibit M**, including franchisees with signed franchise and development agreements for outlets that were not open December 31, 2025. No franchisees had an outlet terminated, canceled, not renewed, or ceased operations for other reasons during the fiscal year ending December 31, 2025, and no franchisees have not communicated with us within 10 weeks of the issuance date of this disclosure document.

On January 1, 2025, our Operating Company Affiliate sold a California Spitz Restaurant to its manager, who continued operation of the Spitz Restaurant under a Franchise Agreement with us. The Operating Company sold three (3) additional Spitz Restaurants located in California in transactions that closed in September 2025 and the franchisees were managers of the Spitz Restaurants sold in the transaction.

There are no independent franchisee organizations that have asked to be included in this Disclosure Document.

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

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as **Exhibit K** are our audited financial statements as of December 31, 2025, 2024, and 2023. Our fiscal year ends on December 31 of each year.

ITEM 22
CONTRACTS

Exhibit A is our current Franchise Agreement.
Exhibit B is our current Area Development Agreement.
Exhibit C is our current Asset Purchase Agreement.
Exhibit D is our current Option to Obtain Lease Assignment.
Exhibit E is our Mobile Restaurant Addendum and Non-Traditional Venue Addendum
Exhibit F is our current Confidentiality Agreement for Prospective Franchisees.
Exhibit G is our current Non-Disclosure and Confidentiality Agreement for Employees of Franchisee.
Exhibit H is our current General Release.
Exhibit I is our current forms of Franchise Compliance Certificates.
Exhibit J is our current Guarantee.
Exhibit N is a copy of the State Specific Addenda.

ITEM 23
RECEIPTS

Two (2) copies of an acknowledgment of your receipt of this Disclosure Document appear as **Exhibit O**. Please return one copy to us and retain the other for your records.

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT A
FRANCHISE AGREEMENT

RADWICK FRANCHISING, LLC

FRANCHISE AGREEMENT

RADWICK FRANCHISING, LLC
FRANCHISE AGREEMENT

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EXHIBITS

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RADWICK FRANCHISING, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "**Agreement**") is made and entered into as of _____ (the "**Effective Date**"), by and between **RADWICK FRANCHISING, LLC**, a Delaware limited liability company ("**Franchisor**"), and the party identified as "**Franchisee**" on Exhibit A, who are individually referred to in this Agreement as a "**Party**", and collectively referred to in this Agreement as "**Parties**", with reference to the following facts:

A. Franchisor and Franchisor's affiliate developed the "**Spitz System**" for the establishment and operation of Spitz Restaurants, which are upscale quick-service restaurants offering Mediterranean-style sandwiches, wraps, salads, liquor, beer & wine and catering services ("**Spitz Restaurants**") and use the trade name and service mark "**Spitz**" and other related trademarks, service marks, logos and commercial symbols (the "**Spitz Marks**"). The Spitz Marks used to identify the Spitz System may be modified by Franchisor and Franchisor's affiliate in its sole discretion. Franchisor and Franchisor's affiliate continue to develop, use and control the use of the Spitz Marks in order to identify for the public the source of services and products marketed under the Spitz Marks and the Spitz System, and to represent the Spitz System's high standards of quality, appearance and service.

B. Franchisee desires to obtain a license and franchise to operate a single Spitz Restaurant, under the Spitz Marks and in strict accordance with the Spitz System, and the standards and specifications established by Franchisor, and Franchisor is willing to grant Franchisee such license and franchise under the terms and conditions of this Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH THE PARTIES MUTUALLY ACKNOWLEDGE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. DEFINITIONS.

The capitalized terms in this Agreement are assigned these definitions:

"**Abandon**" means (i) Franchisee's failure, at any time during the Term, to keep the Spitz Restaurant open and operating for business for a period of five (5) consecutive days, except as provided in the Manuals, (ii) Franchisee's failure to keep the Spitz Restaurant open and operating for any period after which it is not unreasonable under the facts and circumstances for Franchisor to conclude that Franchisee does not intend to continue to operate the Spitz Restaurant, unless the failure to operate is due to Force Majeure (subject to Franchisee's continuing compliance with this Agreement), (iii) Franchisee's failure to actively and continuously maintain and answer the telephone listed by Franchisee for the Spitz Restaurant solely with the Spitz name, (iv) the withdrawal of permission from the Landlord that results in Franchisee's inability to continue operation of the Spitz Restaurant at the Franchised Location, or (v) a closure of the Spitz Restaurant required by Applicable Law.

"**Additional Training Programs**" shall have the meaning set forth in Section 6.2.

"**Affiliate**" or "**Affiliates**" mean any person or Entity that controls, is controlled by, or is under common control with, a Party to this Agreement. Control of a person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Entity whether by contract or otherwise.

"**Anti-Terrorism Laws**" shall have the meaning set forth in Section 15.11.

"**Applicable Law**" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of the Spitz Restaurant that are in effect on or after the Effective Date, as amended.

"**Approved Suppliers**" means suppliers of Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products, and ancillary services, Food Delivery Services, food products, beverages, supplies, furniture, fixtures and equipment for Spitz Restaurants that have been accepted and approved by Franchisor because they have

demonstrated to Franchisor their ability to supply products and services for Spitz Restaurants meeting Franchisor's specifications as to brand names, models, contents, manner of preparation, ingredients, quality, freshness, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services. Franchisor and its Affiliates may be Approved Suppliers.

"**Assignment**" shall have the meaning set forth in Section 14.2.

"**Authorized Spitz Products**" means all Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products offered for sale or used at Spitz Restaurants, as specified and modified by Franchisor in its sole discretion.

"Business Judgment" means that Franchisor is allowed to exercise its judgment however Franchisor believes is appropriate in a given circumstance without limitation, subject to the use of that discretion in any reasonable way as more fully described in Section 21.15.

"**Co-Branding**" means the operation of an independent business, product line or operating system owned or licensed by another Entity (not Franchisor) that is featured or incorporated within the Spitz Restaurant or is adjacent to the Spitz Restaurant and operated in a manner likely to cause the public to perceive it is related to the Spitz Restaurant. An example would be an independent ice cream store or counter installed within the Spitz Restaurant.

"**Competitive Business**" means any restaurant business which prepares, offers and sells Mediterranean style food products as a primary menu item and any restaurant business which looks like, copies, imitates, or operates with similar trade dress or décor to the Spitz Restaurant.

"**Confidential Information**" shall have the meaning set forth in Section 11.1.

"**Constituents**" means past, present and future Affiliates, parents, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

"**Crisis Management Event**" means any event that occurs at or about the Spitz Restaurant that has or may cause harm or injury to customers or employees, including, without limitation, food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings, epidemics, pandemics or any other circumstance which may damage the Spitz System, the Spitz Marks, or the image or reputation of Franchisor and its Affiliates.

"**Default**" means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

"**Direct Claim**" shall have the meaning set forth in Section 18.4.1.

"**Entity**" means any limited liability company, partnership, trust, association, corporation or other entity, which is not an individual.

"**Equity**" means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity.

"**Exercise Date**" shall have the meaning set forth in Section 17.6.

"**Expiration Date**" means the tenth anniversary of the Opening Date. "**Fair Market Value**" shall have the meaning set forth in Section 17.6.

"**Food Delivery Services**" means on-line third-party food-ordering platforms that deliver Authorized Spitz Products.

"**Force Majeure**" means any event (i) that was reasonably unforeseeable as of the Effective Date; (ii) that is beyond the reasonable control, directly or indirectly, of a Party; (iii) that could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence, (iv) that does not result from the fault or negligence of that Party or its agents, employees or contractors, and (v) that causes performance by that Party to be delayed, in whole or in part, or unable to partially or wholly perform its obligations under this Agreement. Subject to the satisfaction of the foregoing criteria, "**Force Majeure**" includes (a) acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe), (b) strikes, lockouts or other industrial disturbances, (c) war, terrorist acts, riot, or other civil disturbance, (d) unilateral governmental action impacting restaurants generally, and (e) contagious diseases, epidemics, pandemics, transportation shortages, inadequate supply of labor, material or energy, or a party foregoing the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency. Neither an act or failure to act by a Governmental Authority, nor the performance, non-performance or exercise of rights under any agreement with Franchisee by any lender, landlord, contractor, or other person, or Franchisee's financial inability to perform or Franchisee's insolvency, shall be an event of Force Majeure hereunder, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure.

"**Franchised Location**" means the site of the Spitz Restaurant specified in Exhibit A.

"**Franchisee Conference Fee**" means the fee Franchisee must pay Franchisor towards the cost of each Annual Franchisee Conference held by Franchisor in the sum of $500.

"**General Manager**" means an individual who is responsible for overseeing the operation of the Spitz Restaurant in the absence of the Operating Partner.

"**General Release**" means the form of general release prescribed by Franchisor of any and all known and unknown obligations, liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, against Franchisor and its Constituents. A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed.

"**Good Standing**" means Franchisee is in substantial compliance with the material requirements of this Agreement, the Manuals and all other agreements then in effect between Franchisor, or its Affiliates, and Franchisee, and has substantially cured each curable Default for which Franchisor has issued a Notice of Default to Franchisee within the time periods set forth in Article 16.

"**Governmental Authority**" means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions, and authorities.

"**Gross Revenue**" means the total of all revenues derived from sales of any nature or kind whatsoever from the Spitz Restaurant during the Term, as well as the proceeds from any business interruption insurance related to the non-operation of the Spitz Restaurant, whether evidenced by cash, services, property, barter, or other means of exchange, including orders taken in or from the Spitz Restaurant although filled elsewhere. "**Gross Revenue**" shall include catering revenue, the full value of meals Franchisee provides to its employees as incident to their employment (less the value of any discounts against Gross Revenue given during the month in which the meals were provided) and all proceeds from the sale of coupons, gift certificates or vouchers. "**Gross Revenue**" shall exclude the amount of bona fide refunds paid to customers and the amount of any sales or use taxes actually paid to any Governmental Authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed. Proceeds from the sale of gift cards are excluded from Gross Revenue. The value of any purchase paid for with a gift card is included in Gross Revenue.

"**Improvement**" shall have the meaning set forth in Section 7.18.

"**Indemnifiable Claim**" shall have the meaning set forth in Section 18.4.

"**Indemnitees**" shall have the meaning set forth in Section 18.4.

"**Indemnitors**" shall have the meaning set forth in Section 18.4.

"**Initial Franchise Fee**" means the initial fee that Franchisee must pay Franchisor for the right to operate the Spitz Restaurant under this Agreement in the sum of $35,000.

"**Initial Term**" means the ten (10) year period commencing on the Opening Date and ending on the Expiration Date.

"**Initial Training Program**" shall have the meaning set forth in Section 6.1.

"**Landlord**" means the owner of the Franchised Location who enters into a Lease with Franchisee for the Franchised Location.

"**Lease**" shall mean any agreement, however denominated, that allows Franchisee to occupy a Franchised Location owned by a Landlord, including any lease, sublease, concession agreement, license and similar arrangement between Franchisee and a Landlord.

"**Losses and Expenses**" shall have the meaning set forth in Section 18.4.

"**Manuals**" means Franchisor's Operations Manual and training manuals and any other written directives related to the Spitz System, as amended, issued and revised by Franchisor in its sole discretion.

"**NACHA**" means the National Automated Clearing House Association, an organization that establishes the standards and rules followed by financial institutions for transferring payments.

"**Non-Proprietary Products**" means the food products, condiments, beverages, raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, menus, packaging, forms, POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Spitz Branded Products and Spitz Proprietary Products, that Franchisee may or must use, offer and sell at the Spitz Restaurant.

"**Non-Traditional Venues**" mean a broad variety of atypical sites, including a site or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings including office buildings and business complexes, arenas, stadiums and entertainment venues, health clubs and recreational facilities, airports, train and bus stations, toll road facilities and other transportation terminals and related facilities, food service fulfillment centers, educational, medical, governmental and other types of institutional facilities, restaurant-in retail locations or restaurant-in restaurant (for example, a restaurant within a grocery store), food courts operated by a master concessionaire and any site for which the lessor, owner or operator limits the operation of its food service facilities to a master concessionaire or contract food service provider.

"**Notice of Default**" shall have the meaning set forth in Section 16.3.

"**Open,**" "**Open For Business,**" "**Opened**" and "**Opened For Business**" means that Franchisee actually has begun to offer Authorized Spitz Products for sale to the public from the Spitz Restaurant.

"**Opening Date**" means the day that (i) Franchisee receives written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at the Spitz Restaurant, and (ii) Franchisee actually begins to offer Authorized Spitz Products for sale to the public from the Spitz Restaurant, whichever occurs last.

"**Operating Partner**" means the individual designated by Franchisee on Exhibit B, and accepted by Franchisor, to serve as primary operator of the Spitz Restaurant, to serve as the authorized representative of Franchisee, who shall act as Franchisee's representative in all matters with Franchisor, as Franchisee's liaison with Franchisor and

the Owners, and shall have the authority to act on behalf of Franchisee during the Term without the participation of any other Owner.

"**Owner**" means each of the individuals listed on Exhibit B and each future direct or indirect shareholder, member, general or limited partner, trustee or other Equity owner of Franchisee. If Franchisee is an Entity, each Owner and each Owner's spouse shall jointly and severally guarantee Franchisee′s performance of its obligations in this Agreement under a Guarantee in the form of Exhibit C.

"**Payment Network**" means Visa, MasterCard and any credit or debit card network issuing credit or debit cards and/or their duly authorized entities, agents or affiliates.

"**Payment Processors**" means all credit card, debit card and/or ACH processors whose services Franchisor may require Franchisee to utilize, as well as payment gateway service providers.

"**Payment Rules**" means the operating rules and regulations of Payment Processors and any applicable Payment Network as in effect and as modified during the Term.

"**Permits**" means and include all applicable franchises, licenses, permits, registrations, certificates and other operating authority required by Applicable Law.

"**Post Termination Gross Revenue**" shall have the meaning set forth in Section 15.4.

"**Proposed Buyer**" shall have the meaning set forth in Section 14.3.

"**Protected Area**" means a one (1) mile radius from the Spitz Restaurant.

"**Purchase Notice**" shall have the meaning set forth in Section 14.3.2.

"**Purchase Price**" shall have the meaning set forth in Section 17.6.

"**Qualified Assignment**" shall have the meaning set forth in Section 14.2.3.

"**Recommended Suppliers**" means suppliers of Non-Proprietary Products who are recommended by Franchise to become Approved Suppliers.

"**Relocation Fee**" means the fee that Franchisee must pay Franchisor if Franchisee requests Franchisor to consent to a relocation of the Spitz Restaurant in the sum of $2,500.

"**Renewal Franchise Agreement**" shall have the meaning set forth in Section 3.2.

"**Reporting Information**" shall have the meaning set forth in Section 12.1.

"**Renewal Right**" means the right held by Franchisee to renew this Agreement for the Renewal Term upon the expiration of the Initial Term.

"**Renewal Term**" means two (2) five (5) year periods commencing on the Expiration Date and ending on the Renewal Term Expiration Date.

"**Renewal Term Expiration Date**" means the fifth (5th) anniversary of the commencement date of the Renewal Term.

"**Restricted Persons**" means Franchisee, and each of its Owners and Affiliates, and the respective officers, directors, managers and Affiliates of each of them, and the spouse of each of the foregoing who are individuals.

"**Royalty Fee**" shall have the meaning set forth in Section 4.2.

"**Spitz Branded Products**" means any product now existing or developed in the future that bears any of the Spitz Marks, including products that are prepared, sold and/or manufactured in strict accordance with Franchisor's recipes, methods, standards and specifications, including pre-packaged food and beverage products, clothing, souvenirs and novelty items.

"**Spitz Franchise Agreements**" means Franchise Agreements between Franchisor and other Spitz Franchisees for Spitz Restaurants.

"**Spitz Franchisees**" means the parties who enter into Spitz Franchise Agreements with Franchisor to develop, own and operate Spitz Restaurants.

"**Spitz Proprietary Products**" means only those food products, beverages, packaging and other products which are produced or manufactured strictly in accordance with Trade Secrets or that Franchisor otherwise designates as proprietary.

"**Spitz Restaurant**" means the Spitz restaurant located at the Franchised Location and operated by Franchisee under the Spitz Marks and in accordance with the Spitz System pursuant to this Agreement.

"**Spitz Restaurant Assets**" shall have the meaning set forth in Section 17.6.

"**Spitz System**" means Franchisor's operating methods and business practices related to Spitz Restaurants, the relationship between Franchisor and its franchisees, interior and exterior Spitz Restaurant design, other items of trade dress, specifications for equipment, fixtures and uniforms, defined product offerings, recipes and preparation methods, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs, and Franchisor's website, all as Franchisor may modify the same in its sole discretion.

"**Term**" means both the Initial Term and the Renewal Term of this Agreement.

"**Then-Current**" means the form of agreement then-currently provided by Franchisor to similarly situated prospective Spitz Franchisees which may contain terms and conditions that are materially different from this Agreement, or if not then being so provided, then a form of agreement selected by Franchisor in its discretion which previously has been delivered to and executed by a Spitz Franchisee, or, as the context of this Agreement indicates, the fees then-currently charged by Franchisor for services provided by Franchisor.

"**Third Party Claim**" shall have the meaning set forth in Section 18.4.1.

"**Third Party Offer**" shall have the meaning set forth in Section 14.3.

"**Trade Secrets**" means proprietary and Confidential Information, including, recipes, ingredients, specifications, procedures, policies, concepts, systems, know-how, plans, software, strategies and methods and techniques of operating the Spitz Restaurant and producing Authorized Spitz Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Franchisee can show was already lawfully in Franchisee's possession before receipt from Franchisor.

2. GRANT

2.1 **Grant**. Franchisor hereby awards Franchisee, and Franchisee hereby accepts, the right, license and obligation, during the Initial Term, to use and display the Spitz Marks and to use the Spitz System to continuously operate one (1) Spitz Restaurant at, and only at, the Franchised Location, throughout the Term of this Agreement upon the terms and subject to the provisions of this Agreement and all ancillary documents binding Franchisor and Franchisee. Franchisee shall utilize the Franchised Location only for the operation of the Spitz Restaurant. Franchisee shall not sublicense, sublease, subcontract or enter any management agreement providing for the right to operate the Spitz Restaurant or to use the Spitz System granted pursuant to this Agreement.

2.2 **Protected Area**. Except as provided in Section 2.3, during the Initial Term, and provided that Franchisee is not in Default under this Agreement or any other agreement between Franchisor or its Affiliates and Franchisee, Franchisor shall not own, operate, sell or issue a franchise for any other Spitz Restaurant within the Protected Area. Franchisee shall not receive an exclusive territory. Unless Franchisor agrees otherwise in writing, Franchisee may only accept and fulfill orders received from Food Delivery Services in the Protected Area. Franchisee must advise all Food Delivery Services of these delivery restrictions imposed on Franchisee. The license granted to Franchisee under this Agreement is nonexclusive, and except as provided in this Section 2.2, Franchisee shall have no territorial or protective rights.

2.3 **Rights Reserved by Franchisor**.

2.3.1 Franchisor and its Affiliates expressly reserve all other rights with respect to the Spitz System, the Spitz Marks and Spitz Restaurants, including the exclusive right, in their discretion, directly or indirectly, without paying Franchisee any compensation or granting Franchisee any rights in the same, to (i) develop, own and operate, and to grant licenses and franchises to third parties to develop, own and operate, Spitz Restaurants at any location outside of the Protected Area regardless of its proximity to the Spitz Restaurant; (ii) develop, own and operate, and to grant licenses and franchises to third parties to develop, own and operate, any other business other than a Competitive Business, under marks and systems different from the Spitz Marks and the Spitz System at any location within or outside of the Protected Area regardless of its proximity to the Spitz Restaurant; (iii) sell or distribute, at retail or wholesale, directly or indirectly, and license others to sell or distribute, Spitz Branded Products and Spitz Proprietary Products from any location within or outside of the Protected Area regardless of proximity to the Spitz Restaurant, through the Internet, mail order catalogs, direct mail advertising and through other distribution methods; (iv) market on the Internet and use the Spitz Marks on the Internet, including all use of Websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media; (v) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Spitz Restaurants and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; (vi) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Spitz Restaurants, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses; (vii) own or operate and to franchise or license others to own or operate Spitz Restaurants at any Non-Traditional Venue within and outside of Franchisee's Protected Area regardless of their proximity to Franchisee's Spitz Restaurant; and (viii) engage in all other activities that this Agreement does not expressly prohibit.

2.3.2 For off-premises delivery and catering, Franchisee may deliver to and cater at addresses within the Protected Area. Franchisor reserves the right to establish delivery and catering zones outside the Protected Area by written notice to Franchisee in which Franchisor reserves the right to manage delivery and catering such that (i) Franchisee may be authorized to deliver and cater to certain areas, addresses or customers; (ii) Franchisee may be prohibited from delivery or catering to or for certain areas, customers or addresses, (iii) Franchisor may establish a rotation among Spitz Restaurants serving the general area or an assignment system based on Franchisor's assessment of the delivery and catering performance of Spitz Restaurants in a market to assure the best customer experience, or (iv) Franchisor may establish service standards in the Manuals for distance/delivery time, packaging, temperature control and other technical aspects that affect the quality of orders at the point of delivery or serving that Franchisee must meet to be authorized to deliver and cater outside the Protected Area.

3. INITIAL AND RENEWAL TERMS.

3.1 **Initial Term**. The Initial Term shall commence on the Opening Date and shall expire on the Expiration Date. If Franchisee does not elect to renew the Initial Term under Section 3.2, this Agreement shall expire on the Expiration Date.

3.2 **Renewal Right**. Upon the expiration of the Initial Term, Franchisee shall have the right (the "**Renewal Right**") to enter into Franchisor's Then-Current franchise agreement in the form then generally being offered to prospective Spitz Restaurant franchisees (the "**Renewal Franchise Agreement**") for the Renewal Term. The Initial Franchise Fee, the Royalty Fees and the Marketing Fund Fees payable by Franchisee during the Renewal

Term shall be identical to the Initial Franchise Fee, the Royalty Fees and the Marketing Fund Fees payable by new Spitz Franchisees under this Agreement. If Franchisee desires to exercise the Renewal Rights, Franchisee shall, no later than eighteen (18) months prior to the Expiration Date, notify Franchisor in writing (the "**Renewal Notice**") that Franchisee desires to extend the Initial Term for the duration of the Renewal Term. If Franchisee exercises the Renewal Rights, this Agreement shall terminate on the Renewal Term Expiration Date. This Agreement is not otherwise renewable.

3.3 **Conditions to Renewal**. The Initial Term may be renewed by Franchisee only if all of the following conditions precedent are satisfied prior to the Expiration Date: (i) Franchisee shall have fully performed all of its obligations under this Agreement, any Area Development Agreement and all other agreements binding Franchisor and Franchisee and shall be in Good Standing on the date of the Renewal Notice, on the date of Franchisor's execution of the Renewal Franchise Agreement and on the Expiration Date; (ii) Franchisee shall, prior to the commencement date of the Renewal Term, undertake and complete at its expense, the remodeling, renovation, modernization, or refurbishing of the Franchised Location and the Spitz Restaurant to comply with Franchisor's Then-Current specifications and standards for new Spitz Restaurants; (iii) Franchisee shall not have committed three (3) or more material Defaults during any eighteen (18) month period during the Initial Term which were subject to notices of Default issued by Franchisor, whether or not the Defaults were cured; (iv) Franchisee continues to comply with the terms and conditions of this Agreement; (v) Franchisee shall have satisfied Franchisor's Then-Current qualifications and training requirements; (vi) Franchisee shall have executed and delivered to Franchisor a General Release; (vii) Franchisee shall have executed and delivered to Franchisor a General Release; (viii) Franchisee shall have paid Franchisor a $10,000 renewal fee when Franchisee issues the Renewal Notice to Franchisor; and (ix) Franchisee has executed the Renewal Franchise Agreement and delivered it to Franchisor.

3.4 **Renewal Procedures**. Following the expiration of any waiting periods required by Applicable Law and no more than thirty (30) days after Franchisee receives franchise disclosure document, if applicable, and the execution copies of the Renewal Franchise Agreement, Franchisee shall execute the copies of the Renewal Franchise Agreement and return them to Franchisor. If Franchisee has exercised the Renewal Right in accordance with Section 3.2 and satisfied all of the conditions in Section 3.3 and this Section 3.4, Franchisor shall execute the Renewal Franchise Agreement. If Franchisee fails to perform any of the acts, or deliver any of the notices required under this Article 3 in a timely fashion, the failure to do so shall be deemed an election by Franchisee not to exercise the Renewal Right and shall automatically cause the Renewal Right to lapse and expire.

3.5 **Notice Required by Law**. If Applicable Law requires Franchisor to give notice to Franchisee prior to the expiration of the Initial Term, this Agreement shall remain in effect on a week-to-week basis until Franchisor has given the notice required by Applicable Law. If Franchisor is not offering new franchises, is in the process of revising, amending or renewing its form of franchise agreement or franchise disclosure document, or is not lawfully able to offer Franchisee its Then-Current form of franchise agreement, at the time Franchisee delivers its Renewal Notice, Franchisor may, in its discretion, (i) offer to renew this Agreement upon the same terms set forth in this Agreement for a renewal term determined in accordance with Section 3.2; or (ii) offer to extend the Term on a week-to-week basis following the expiration of the Term for as long as it deems necessary or appropriate so that it may lawfully offer its Then-Current form of franchise agreement.

3.6 **Month-to-Month Agreement**. If Franchisee does not sign Franchisor's Then-Current Franchise Agreement prior to the Expiration Date and Franchisee continues to accept the benefits of this Agreement after it expires, then at Franchisor's option, this Agreement may be treated either as (i) expired as of the Expiration Date with Franchisee then operating without a license to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis ("**Month-to-Month Agreement**") until one party provides the other with written notice of such party's intent to terminate the Month-to-Month Agreement, in which case the Month-to-Month Agreement will terminate thirty (30) days after receipt of the notice to terminate the Month-to-Month Agreement, or such longer notice period as is required by Applicable Law. In the latter case, all of Franchisee's obligations shall remain in full force and effect during the Month-to-Month Agreement as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Month-to-Month Agreement.

4. **FEES**

4.1 **Initial Franchise Fee**. On the Effective Date, Franchisee shall pay Franchisor the Initial Franchise Fee in the manner provided in Section 4.4. The Initial Franchise Fee shall be non-refundable, in whole or in part, when paid.

4.2 **Royalty Fees and Other Payments**. Franchisee shall pay Franchisor, in accordance with Section 4.4, a weekly royalty fee equal to six percent (6%) of the Gross Revenue of the Spitz Restaurant or $125 per week, whichever is greater (the "**Royalty Fee**"). The Royalty Fee shall be paid on Tuesday of each week on the Gross Revenue of the Spitz Restaurant during the previous week. Each payment shall be accompanied by a statement of Gross Revenue for the previous calendar week, certified as complete and accurate by the Operating Partner. Franchisee shall also promptly pay Franchisor and its Affiliates, as applicable, when due (i) all amounts advanced by Franchisor or which Franchisor has paid, or for which Franchisor has become obligated to pay on behalf of Franchisee for any reason whatsoever; and (ii) all amounts due to Franchisor or its Affiliates for purchases of Spitz Branded Products and Spitz Proprietary Products by Franchisee.

4.3 **Interest and Charges for Late Payments**. If Franchisee fails to pay any amount due to Franchisor under this Agreement by the date payment is due, or if any electronic payment is unpaid because of insufficient funds or otherwise, Franchisee shall additionally be obligated to pay, as a late charge, the sum of $200. Additionally, Franchisee shall pay interest on the amount outstanding at the rate of one and one-half percent (1 1/2%) per month (but not to exceed the maximum legal rate of interest) imposed from the date payment was due until the entire sum and late charge is paid in full. This Section 4.3 does not constitute an agreement by Franchisor to accept any payment after the date payment is due or a commitment by Franchisor to extend credit to, or otherwise finance, Franchisee, and Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement notwithstanding this Section 4.3.

4.4 **Manner of Payment**. Franchisee shall pay the Initial Franchise Fee, Royalty Fees and Marketing Fund Fees, if any, to Franchisor from Franchisee's bank account by electronic funds transfer ("**EFT**") or other automatic payment mechanism that Franchisor may designate. Promptly upon Franchisor's request, Franchisee shall execute and deliver to Franchisor the EFT payment form attached to this Agreement as Exhibit D and all pre-authorized check forms and other instruments or drafts required by Franchisor's bank, payable against Franchisee's bank account, to enable Franchisor to draw Franchisee's Royalty Fees, Marketing Fund Fee and other sums payable under the terms of this Agreement. Franchisee shall maintain a single bank account for all EFT payments and shall maintain such minimum balance in this account in the amount that Franchisor may reasonably specify in the Manuals. Franchisee shall not alter or close this account except with Franchisor's prior written approval. Any failure by Franchisee to implement an EFT system in strict accordance with Franchisor's instructions shall constitute a material default of this Agreement.

4.4.1 All payments by Franchisee shall be made in US Dollars free and clear of any tax, deduction, offset or withholding of any kind. Franchisee shall register for and collect and report sales tax in compliance with all Applicable Laws. All taxes and penalties thereon, presently or in the future levied on the payments due to Franchisor under this Agreement shall be fully borne by Franchisee.

4.4.2 If Franchisee or any other person is required by Applicable Law to make any deduction or withholding on account of tax or other amount from the payments paid or payable to Franchisor under this Agreement, Franchisee shall pay any such tax or other amount before the date on which a penalty for nonpayment or late payment attaches. Payment of such tax, levy, duty or assessment is to be made (if the liability to pay is imposed on Franchisee) for Franchisee's own account or (if the liability to pay is imposed on Franchisor or Franchisor's Affiliate) on behalf of and in the name of Franchisor or Franchisor's Affiliate, as the case may be. The payments made by Franchisee that are the subject of the relevant deduction, withholding or payment (including any penalties) will be increased to the extent necessary to ensure that, after the making of the deduction, withholding or payment of such tax, levy, duty or assessment, Franchisor or Franchisor's Affiliate receives on the due date and retains (free from any liability in respect of the deduction, withholding or payment) a sum equal to the amount Franchisor or Franchisor's Affiliate, as the case may be, would have received and retained had no such deduction, withholding or payment been required or made.

4.4.3 Franchisee shall immediately furnish to Franchisor or Franchisor's Affiliate, as the case may be, certified receipts of the payment of any deduction, withholding or payment made, on its account or Franchisor's account. Franchisee shall indemnify Franchisor and hold Franchisor harmless from any claims for any taxes described in this Section 4.4, including any claims occasioned by Franchisee's failure to withhold any taxes imposed by any Governmental Authority on amounts payable by Franchisee pursuant to Sections 4.2, Section 4.3 and this Section 4.4.3, and for any liability (including penalties, interest and expenses) arising from or concerning the payment of such taxes.

4.5 **Application of Funds**. If Franchisee shall be delinquent in the payment of any obligation to Franchisor hereunder, or under any other agreement with Franchisor, Franchisor shall have the absolute right to apply any payments received from Franchisee to any obligation owed, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to application.

4.6 **Security Interest**. Franchisee hereby grants Franchisor a security interest in and to all leasehold improvements, fixtures, furnishings and equipment, inventory, supplies and vehicles located at or used in connection with the Spitz Restaurant, now or hereafter acquired by Franchisee, together will all accounts, payment intangibles, attachments, accessories, additions, substitutions and replacements, all cash and non-cash proceeds derived from insurance or the disposition of the assets, all rights of Franchisee to use the Spitz Marks, trade names, trade styles, patents, copyrights and their registrations, Trade Secret information and other proprietary rights, and all rights granted, owned or licensed to Franchisee under this Agreement for the use of the Spitz Marks, trade names, trade styles, patents, copyrights, Trade Secret information and other proprietary rights, to secure payment and performance of all debts, liabilities and obligations of any kind, whenever and however incurred, from Franchisee to Franchisor. Franchisee hereby authorizes Franchisor to prepare and file all Uniform Commercial Code (and comparable) financing statements and other documents necessary or desirable to evidence, perfect and continue the priority of this security interest under the Uniform Commercial Code wherever applicable. If Franchisee is in Good Standing under this Agreement and all other agreements between Franchisor or its Affiliates, and Franchisee, Franchisor shall, upon request of Franchisee, execute a written subordination of its security interest to lenders providing equipment or other financing for the Spitz Restaurant. If Franchisee is in Default of any of the terms and conditions of this Agreement, Franchisor may, in its discretion, exercise its rights with respect to its security interest. In that event, Franchisee shall remain liable for any deficiency remaining due to Franchisor and shall be entitled to recover any surplus which results after the application of the proceeds derived from the enforcement of the security interest.

4.7 **Gross-Up Fees**. To ensure that Franchisor receives the full Royalty Fee to which Franchisor may be entitled under the percentage formula specified in this Agreement, Franchisee shall pay Franchisor, upon demand, whether in arrears, in advance, in a lump sum or in the same manner as Royalty Fees are paid to Franchisor, the amount of all taxes paid by Franchisor to any Governmental Authority on revenue earned or collected by Franchisor based upon Franchisee's use of Franchisor's intellectual property or other intangibles or based upon the existence of this Agreement, within the Governmental Authority's domain during each of Franchisor's fiscal years throughout the entire term of this Agreement. Further, if state or local law in the state in which the Spitz Restaurant is located prohibits or restricts in any way Franchisee's ability to pay and Franchisor's ability to collect Royalty Fees or other amounts due to Franchisor based on revenue derived from the sale of alcoholic beverages at the Spitz Restaurant, Franchisor shall reset the amount of the Royalty Fees or other sums payable to Franchisor under this Agreement and redefine Gross Revenue to exclude the payment of Royalty Fees on revenue derived from the sale of alcoholic beverages to an amount that will have the same basic economic result for both Franchisor and Franchisee.

5. FRANCHISED LOCATION, CONSTRUCTION AND OPENING FOR BUSINESS

5.1 **Franchised Location**. The Spitz Restaurant shall be located at the Franchised Location. If the address of the Franchised Location has not been inserted in the blank space in Article 1, "**Definitions**", on the Effective Date, Franchisee shall, within ninety (90) days after the Effective Date, locate one or more proposed sites that meet Franchisor's Then-Current standards and specifications. Franchisee shall submit to Franchisor all demographic and other information regarding a proposed site and neighboring areas that Franchisor shall require. Franchisor shall accept or reject a proposed site for the Spitz Restaurant within thirty (30) days after Franchisor receives all of the information that Franchisor requires to evaluate the site. Following Franchisor's acceptance of a site, Franchisee shall promptly negotiate a Lease for the site and shall submit a copy of the proposed Lease to Franchisor to allow Franchisor at least fifteen (15) days to confirm that the provisions set forth in Section 5.2 of this Agreement have been included in the

proposed Lease and that the Landlord and Franchisee have executed an Option to Obtain Lease Assignment in the form specified by Franchisor. Franchisee shall not enter into any Lease for a site unless and until Franchisor has approved the site and the Lease in writing. Following Franchisee's execution of the Lease for the Franchised Location, Franchisor and Franchisee shall complete and execute Exhibit A to identify the Franchised Location. Franchisee shall submit to Franchisor a conformed copy of the fully executed Lease in the form approved by Franchisor for the accepted site, or an executed purchase agreement in the form approved by Franchisor, no later than one hundred eighty (180) days after the Effective Date. Franchisee must provide Franchisor with a copy of the recorded deed to the Franchised Location if purchased prior to opening of the Spitz Restaurant. Franchisor may voluntarily, and without obligation, assist Franchisee in selecting an acceptable site for the Franchised Location. Neither Franchisor's assistance, if any, its acceptance of a proposed site, nor its acceptance of a proposed Lease shall be construed to insure or guarantee the profitable or successful operation of the Spitz Restaurant at the site selected by Franchisee and Franchisor hereby expressly disclaims any responsibility therefor. Franchisee acknowledges its sole responsibility for finding the Franchised Location.

5.2 **Lease for Franchised Location**. Franchisee shall not create any obligations on Franchisor's behalf or grant the Landlord any rights against Franchisor, or agree to any term, condition or covenant in the Lease which is inconsistent with any provision of this Agreement. Franchisee shall deliver a fully executed copy of the Lease to Franchisor promptly following its execution, in the form and on the terms previously accepted by Franchisor, without further request by Franchisor. The Lease shall provide, unless Franchisor otherwise consents in writing prior to the execution of the Lease that (i) the Lease may not be amended, assigned or sublet without Franchisor's prior written consent; (ii) Franchisor shall have the right (but not the obligation) to succeed to Franchisee's rights under the Lease if Franchisee fails to exercise any option to renew, and or extend the term of the Lease; (iii) upon Franchisee's Default under the Lease, the Landlord shall notify Franchisor in writing at least fifteen (15) days prior to the termination or non-renewal of the Lease, (iv) Franchisor shall have an option to assume the Lease upon the termination or expiration of the Lease for any reason by giving written notice of the election to Franchisee and the Landlord; (v) Franchisee shall have the unrestricted right, without the Landlord's consent, to assign or sublet the Franchised Location to Franchisor, or any franchisee or licensee approved by Franchisor; (vi) Franchisor shall have the right to enter the Franchised Location to remove all of the Spitz Marks from the Franchised Location and modify the decor of the Franchised Location so that it no longer resembles, in whole or in part, an Spitz Restaurant if Franchisee fails to do so, and (vii) upon any renewal of the Lease, Franchisor and Landlord will cooperate with each other and use reasonable best efforts to adjust the expiration dates of both the renewal Lease and this Agreement or Renewal Franchise Agreement, as applicable, so that the term of the renewal Lease will expire contemporaneously with the expiration of the Term of this Agreement or Renewal Franchise Agreement, as applicable. In addition to including these provisions in the Lease, Franchisor, Franchisee and the Landlord shall execute an Option to Obtain Lease Assignment in the form specified by Franchisor at the time the Lease is executed by Franchisee and the Landlord. If Franchisor elects to succeed to Franchisee's rights under the Lease, Franchisee shall assign to Franchisor all of its right, title and interest in and to the Lease and take all further action that Franchisor, in its sole and absolute discretion, may deem necessary or advisable to effect the assignment within ten (10) days after written demand by Franchisor to do so.

5.3 **Construction**. Franchisor shall make available, at no charge to Franchisee, Franchisor's specifications for the décor and layout of a Spitz Restaurant and the required fixtures, equipment, furnishings, décor, trade dress and signs. Franchisee shall be responsible for the costs of preparing architectural, engineering and construction drawings and site and space layout and exterior signage plans for the Spitz Restaurant. Franchisee shall, at its own expense, adapt the specifications for a prototype Spitz Restaurant to conform to the characteristics of the Franchised Location and shall submit the final plans to Franchisor within forty-five (45) days after Franchisee obtains possession of the Franchised Location. Franchisor shall review and accept or reject the plans within fifteen (15) days after receiving them from Franchisee. Before commencing any renovation or construction, Franchisee shall employ a licensed architect and engineer approved by Franchisor to prepare preliminary and final architectural and engineering drawings and specifications for the Spitz Restaurant in accordance with Franchisor′s standard architectural plans and specifications for a prototype Spitz Restaurant. Franchisee shall use an architect and designer approved by Franchisor for the design and construction of the Spitz Restaurant. Franchisee shall, at its own expense, obtain all zoning classifications, Permits, and clearances for construction and shall, subject only to Force Majeure, complete construction of the Spitz Restaurant within two hundred seventy (270) days after the Effective Date. Franchisee shall notify Franchisor of the anticipated construction completion date and, within a reasonable time after construction is completed Franchisor shall have the right, but not the obligation, to conduct a final inspection of the Spitz Restaurant.

5.4 **Open for Business**. The Spitz Restaurant shall Open For Business no later than two hundred seventy (270) days after the Effective Date, unless (i) Franchisor extends the date for the required Opening of the Spitz Restaurant in writing. Franchisor shall not unreasonably withhold its consent to Franchisee′s request for additional time to Open the Spitz Restaurant; or (ii) the Opening Date is otherwise set forth pursuant to an applicable Development Agreement with Franchisor. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Franchisee shall not Open the Spitz Restaurant without the express written authorization of Franchisor, which authorization may be conditioned upon Franchisee′s strict compliance with the specifications of the approved final plans and Spitz System standards, the completion of the Initial Training Program by the Operating Partner and the General Manager and Franchisee′s compliance with staffing and other requirements. Franchisee shall Open the Spitz Restaurant for business following receipt of a temporary or permanent certificate of occupancy and no more than ten (10) days after receipt of Franchisor′s written authorization to Open. Following the Opening Date, the Parties shall complete and execute an addendum to Exhibit A to designate the Opening Date.

5.5 **Relocation of Spitz Restaurant**. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Franchisee may not relocate the Spitz Restaurant without Franchisor's prior written consent. Franchisee shall pay Franchisor a Relocation Fee when Franchisee requests Franchisor's consent to a relocation of the Spitz Restaurant. If Franchisor consents to a relocation, Franchisee shall de-identify the former Franchised Location in the manner described in Section 17.1 and shall reimburse and indemnify and hold Franchisor harmless from any direct and indirect losses, costs and expenses, including attorney's fees, arising out of Franchisee's failure to do so. If Franchisor consents to a relocation of the Spitz Restaurant during the Term, Franchisee shall have twelve (12) months from the date of Franchisor's acceptance of the new Franchised Location to secure the new Franchised Location and to open and operate the Spitz Restaurant at the new Franchised Location. Once Franchisee has identified the new Franchised Location, Franchisor has approved it, and the Lease has been submitted to Franchisor to allow Franchisor at least fifteen (15) days to confirm that the provisions set forth in Section 5.2 have been included in the proposed Lease and that the Landlord and Franchisee have executed an Option to Obtain Lease Assignment in the form specified by Franchisor. Franchisor will prepare a new copy of Exhibit A and provide it to Franchisee. If Franchisee fails to secure the new Franchised Location within twelve (12) months of the date of Franchisor's acceptance of the new Franchised Location, Franchisor shall have the right to estimate and bill Franchisee for Royalty Fees for the time period following the expiration of the twelve (12) month period based upon the Royalty Fees received for the Spitz Restaurant during the identical periods of the last preceding calendar year plus an additional ten percent (10%) of such amount or, if the Spitz Restaurant was not in operation during the identical period of the last preceding year, based upon the average Royalty Fees paid during the number of months the Spitz Restaurant was in operation plus an additional ten percent (10%) of that amount.

6. OBLIGATIONS OF FRANCHISOR

6.1 **Initial Training Program**. Franchisor shall provide an Initial Training Program in the System and methods of operation (the "**Initial Training Program**") at Franchisor's training facilities currently located in Salt Lake City, Utah, Los Angeles, California or another regional training location for up to two (2) supervisorial or managerial personnel of Franchisee selected by Franchisee who shall be the Operating Partner and General Manager. Franchisee shall pay Franchisor a daily fee of $300 for each additional trainee, plus Franchisor's reasonable travel, food and lodging expenses. Portions of the Initial Training Program may be held at the Franchised Location. Franchisee shall attend and complete to Franchisor′s satisfaction the Initial Training Program. If the Spitz Restaurant is the first Spitz Restaurant to be operated by Franchisee, Franchisor shall provide training, instructors, a training manual, and other materials at no charge to Franchisee. The Initial Training Program will consist of approximately two (2) to three (3) weeks of training prior to the opening of the Spitz Restaurant and must be completed before that Spitz Restaurant Opens for business. Franchisee shall pay all travel, living, compensation, and other expenses, if any, incurred by Franchisee and/or Franchisee's personnel to attend the Initial Training Programs. Franchisee may not open the Spitz Restaurant until the Initial Training Program has been completed to the satisfaction of Franchisor and Franchisee's management team has been certified by Franchisor. Franchisor shall not be obligated to provide the Initial Training Program if (i) Franchisee or any Affiliate of Franchisee (or an owner of either) owns or operates a Spitz Restaurant as of the Effective Date; or (ii) this Agreement is executed as a Renewal Franchise Agreement. Franchisor shall determine the contents and manner of conducting the Initial Training Program in its discretion, however, the Initial Training Program will be structured to provide practical training in the implementation and operation of a Spitz Restaurant and may include such topics as on-site food preparation, portion control, preparation and cooking procedures, packaging procedures, Spitz standards, marketing and customer service techniques, reports

and equipment maintenance. Franchisee acknowledges that because of Franchisor's superior skill and knowledge with respect to the training and skill required to manage the Spitz Restaurant, Franchisor, in its sole discretion, shall determine if Franchisee, the Operating Partner and/or the General Manager has satisfactorily completed the Initial Training Program. Franchisor will also provide pre-opening training at the Spitz Restaurant for at least two weeks before the anticipated opening date ("**Pre-Opening Training**"). Some of the on-the-job training hours and content of the Initial Training Program will be delivered during Pre-Opening Training at the Spitz Restaurant. The cost of Franchisor's training staff is included in the Initial Franchise Fee. Franchisor does not charge for their travel costs (airfare, lodging, meals, incidentals) but Franchisee must have the Spitz Restaurant staff hired and in place when Pre-Opening Training begins. Franchisee will be responsible for compensation and benefits costs of Franchisee's staff incurred during Pre-Opening Training.

6.2 **Additional Training Programs**. Franchisor may, at Franchisor's discretion, at any time during the Term (i) require the Operating Partner and each General Manager and/or other supervisorial or managerial personnel of Franchisee to attend; or (ii) make available to the Operating Partner and each General Manager and/or other supervisorial or managerial personnel of Franchisee, additional and remedial training programs ("**Additional Training Programs**"). Franchisee shall pay Franchisor its Then-Current daily fee for each of Franchisor's representatives that provides Additional Training Programs to defray Franchisor's direct costs to provide the Additional Training Programs. In addition, Franchisee shall pay all transportation costs, food, lodging and similar costs incurred in connection with attendance at the Additional Training Programs.

6.3 **Manuals**. Franchisor will loan one copy or provide Franchisee with access to its current Manuals by hard copy or via the intranet during the Term of this Agreement. Franchisor may modify, supplement, amend, revise, decrease or eliminate the Manuals at any time during the Term of this Agreement. The Manuals are, and at all times shall remain Franchisor's sole property and shall promptly be returned to Franchisor upon expiration, termination or an Assignment of this Agreement. If Franchisee misplaces the Manuals or fails to return the manuals to Franchisor upon demand, Franchisee shall pay Franchisor the sum of $500 as a manual replacement fee. Franchisee shall treat all information contained in the Manuals as Confidential Information and shall use all reasonable efforts to keep the information confidential. Franchisee shall not, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce the Manuals, in whole or in part, or otherwise make them available to any person not required to have access to their contents in order to carry out their employment functions. The Manuals contain both mandatory and recommended specifications, standards, procedures, rules and other information pertinent to the Spitz System and Franchisee's obligations under this Agreement. The Manuals, as modified by Franchisor, are an integral part of this Agreement and all provisions now or hereafter contained in the Manuals or otherwise communicated to Franchisee in writing are expressly incorporated into this Agreement by this reference and made a part of this Agreement. Franchisee shall comply with all mandatory requirements now or hereafter included in the Manuals and acknowledges and agrees that a breach of any mandatory requirement shall constitute a breach of this Agreement and grounds for termination. Franchisor reserves the right to modify the Manuals at any time to reflect changes that it may implement in the mandatory and recommended specifications, standards, and operating procedures of the Spitz System. Franchisee shall immediately conform its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Franchisor.

6.4 **Consultation**. Following the Opening Date of the Spitz Restaurant, Franchisor may provide regular consultation and advice to Franchisee in response to Franchisee's inquiries about specific administrative and operating issues that Franchisee brings to Franchisor's attention including, without limitation, mandatory and recommended specifications, standards and operating procedures of the Spitz System. Franchisor's consultation and advice may be provided by telephone, in writing, electronically, in person, or by other means, and shall be provided by Franchisor to Franchisee at Franchisee's expense. In addition to any charges Franchisor may impose, Franchisee shall also pay all transportation costs, food, lodging and similar costs that may be incurred by Franchisor to provide these services. Franchisee acknowledges and agrees that the results of Franchisee's efforts to operate a Spitz Restaurant rest solely with Franchisee. Franchisor may make recommendations that it deems appropriate to assist Franchisee's efforts. However, Franchisee alone shall establish all requirements, consistent with the policies of Franchisor, regarding (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees; (ii) the individuals to whom Franchisee will offer and sell its products and services; and (iii) the suppliers from whom Franchisee obtains any products or services used in or at the Spitz Restaurant for which Franchisor has not established Spitz Approved Suppliers.

6.5 **Post-Opening Inspection**. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, following the Opening Date of the Spitz Restaurant, Franchisor's authorized representatives shall have the right, but not the obligation, at any time during the Term, to enter the Spitz Restaurant during business hours, to examine the Spitz Restaurant, to confer with Franchisee's supervisorial or managerial personnel, inspect and check operations, food, beverages, furnishings, interior and exterior decor, supplies, fixtures and equipment, and determine whether the Spitz Restaurant is being operated in accordance with this Agreement, the Spitz System and the Manuals. Franchisor shall use reasonable efforts to avoid materially disrupting the operation of the Spitz Restaurant during an inspection. If any inspection indicates any deficiency or unsatisfactory condition at the Spitz Restaurant, Franchisor will notify Franchisee in writing of the deficiencies and Franchisee shall promptly correct, remedy or repair the same. In addition, if any inspection indicates any deficiency or unsatisfactory condition which requires a re- inspection of the Spitz Restaurant within a period of thirty (30) days, Franchisee shall pay Franchisor, upon demand, the sum of $500 for each re-inspection of the Spitz Restaurant and shall, in addition, reimburse Franchisor for its out of pocket expenses for the re-inspection, including for transportation costs, food, lodging and similar costs.

6.6 **Virtual Training, Assistance and Inspections**. Franchisor may provide any or all portions of the Initial Training Program, Additional Training Programs, pre and post-opening on-site opening assistance, post-opening consultations and/or post-opening inspections remotely over a virtual communication platform designated by Franchisor.

6.7 **Assignment**. Upon the occurrence of an Assignment, the Proposed Buyer must be trained by Franchisor as a condition to the granting of Franchisor's consent to the Assignment. All costs for this training shall be included in the administrative/transfer fee payable by Franchisee in accordance with Section 17.1. The Spitz Restaurant shall not be transferred, Opened, or re-Opened by the Proposed Buyer until Franchisor accepts the Proposed Buyer in writing as certified to operate the Spitz Restaurant and Franchisor has otherwise consented to the Assignment in accordance with this Agreement.

6.8 **Delegation of Performance**. Franchisor, may, in Franchisor's sole discretion, delegate its responsibilities under this Agreement to any designee, employee or agent of Franchisor, as Franchisor may direct.

6.9 **Toll Free Telephone Number**. Franchisor has the right, but not the obligation, to establish and maintain a toll free telephone number for the purpose of accepting and confirming customer orders nationwide, customer service, and customer follow-up and satisfaction surveys. If Franchisor establishes a toll free number, Franchisee shall comply with Franchisor's procedures for implementing the nationwide service as Franchisor specifies in the Manuals or otherwise in writing.

7. OBLIGATIONS OF FRANCHISEE

To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same:

7.1 **Spitz System**. Franchisee shall operate the Spitz Restaurant in compliance with the terms of this Agreement and the Manuals. Franchisee acknowledges and agrees that Franchisee alone shall exercise day-to-day control over all operations, activities and elements of the Spitz Restaurant, including over Franchisee's employees, and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the Spitz System with which Franchisee must comply under this Agreement, the Manuals 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 Spitz Restaurant, which Franchisee alone controls, but only constitute standards to which Franchisee must adhere when exercising Franchisee's control over the day-to-day operations of the Spitz Restaurant consistent with the policies of Franchisor. Franchisee shall comply with Franchisor's standards and shall operate the Spitz Restaurant in conformity with the methods, standards, and specifications that Franchisor may prescribe in the Manuals or otherwise. Franchisee shall comply, at Franchisee's expense, with all modifications prescribed by Franchisor and shall implement changes to the Spitz System within the time periods specified by Franchisor following Franchisee's receipt of notice from Franchisor to do so. Franchisee shall refrain from deviating from the methods, standards, and specifications without Franchisor′s prior written consent and from otherwise operating in any manner which reflects adversely on the Spitz Marks or the Spitz System. Since every detail of the Spitz System is essential in order to develop and maintain

quality operating standards, to increase the demand for the products and services sold by Spitz Restaurants under the Spitz System and to protect the Spitz Marks and Franchisor's reputation and goodwill, Franchisor shall have the right to disapprove, as it believes necessary, any modification of, or addition to, the Spitz System suggested by Franchisee that is reasonably likely to have an adverse material effect on the Spitz System, the Spitz Marks or Franchisor's reputation or goodwill.

7.2 **Initial Training Program**. Franchisee's supervisorial and managerial personnel shall attend and complete to Franchisor′s satisfaction the Initial Training Program. If Franchisee's supervisorial or managerial personnel (i) fail to complete the Initial Training Program within six (6) months after the Effective Date; (ii) do not complete the Initial Training Program to Franchisor′s satisfaction; (iii) do not, during the Initial Training Program, appear to possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the Spitz System or this Agreement; or (iv) Franchisee is not acceptable to become a franchisee of Franchisor for any reason whatsoever, in Franchisor's sole and absolute discretion, Franchisor may terminate this Agreement upon five (5) days' written notice to Franchisee and this Agreement shall thereafter be of no further force or effect. Franchisor shall have the right to retain the Initial Franchise Fee. Franchisor and Franchisee acknowledge and agree that the actual damages to be suffered by Franchisor in this circumstance are difficult, if not impossible, to determine, and that, under all the facts and circumstances, this calculation of Franchisor's potential damages and retention of the Initial Franchise Fee by Franchisor, are a reasonable, good-faith estimate of those damages. Franchisee shall pay all travel, living, compensation, and other expenses, if any, incurred by Franchisee for Franchisee's supervisorial or managerial personnel to attend the Initial Training Program.

7.3 **Virtual Training, Assistance and Inspections**. Franchisee acknowledges and agrees that Franchisor may provide any or all portions of the Initial Training Programs, Additional Training Programs, pre and post-opening on-site opening assistance, post-opening consultations and/or post-opening inspections remotely over a virtual communication platform designated by Franchisor.

7.4 **POS System and Computer Hardware and Software**. Franchisee shall purchase, use and maintain a computerized point of sale cash collection system (including a POS System network router, computer, cameras and DVR, back office computer and printer and other related hardware and software) as specified in the Manuals or otherwise by Franchisor in writing for Spitz Restaurant (the "**POS System**"). The POS System shall at all times and be capable of accessing the Internet for the purpose of implementing software, transmitting and receiving data, and accessing the Internet for ordering and maintaining the POS System. The POS System shall be electronically linked to Franchisor, and Franchisee shall allow Franchisor to poll the POS System on a daily or other basis at the times and in the manner established by Franchisor, with or without notice, and to retrieve transaction information including sales, menu mix, usage, and other operations data that Franchisor deems appropriate. Franchisor may require Franchisee to update, upgrade or replace the POS System, including hardware and/or software, at any time, upon written notice, provided that Franchisee shall not be required to replace the POS System any more frequently than once every three (3) years. The POS System must include the required technology to permit Franchisee to accept online orders of Spitz products and services at the Spitz Restaurant and to accept and process Spitz gift cards sold in other Spitz Restaurants. In addition, Franchisee shall purchase, lease or license all computer hardware and software designated by Franchisor for the Spitz Restaurant at Franchisee's expense. During the Term, Franchisee shall maintain and update all computer hardware and software as required by Franchisor.

7.5 **Product Line and Service**. Franchisee shall advertise, sell and serve all and only Authorized Spitz Products at or from the Spitz Restaurant. All Authorized Spitz Products shall be sold and distributed under the names designated by Franchisor and shall be prepared and served strictly in accordance with Franchisor's methods, standards, and specifications. Franchisee shall not remove any Authorized Spitz Product from Franchisee's menu without Franchisor's written consent. Franchisee shall not sell any Authorized Spitz Products outside of the Spitz Restaurant or to any customer for the purpose of resale by the customer, and all sales by Franchisee shall be for retail consumption only. Subject to Applicable Law, Franchisor shall have the right to establish pricing guidelines for Authorized Spitz Products and, subject to Applicable Law, Franchisee shall comply with, and be bound by, prices which may be recommended, suggested or advertised by Franchisor.

7.6 **Prices**. Subject to Applicable Law, following the Opening Date of the Spitz Restaurant, Franchisor shall have the right to establish pricing guidelines for Spitz Authorized Products and, subject to Applicable Law, Franchisee shall comply with, and be bound by, prices which may be recommended, suggested or advertised by Franchisor. Subject to Applicable Law, Franchisee shall honor the terms of all promotional or discount programs that

Franchisor may offer to the public for Spitz Restaurants and shall comply with all pricing policies that Franchisor may specify, including minimum and maximum price policies, minimum advertised price policies and unilateral price policies. Franchisee shall also provide products and services designated by Franchisor on terms Franchisor specifies, including free-of-charge. Franchisee shall participate in all gift certificate and/or gift card administration programs as may be designated by Franchisor. Franchisee shall honor all coupons, gift certificates, gift cards and other programs or promotions as directed by Franchisor. Franchisee shall fully participate in all guest loyalty or frequent customer programs now or in the future adopted or approved by Franchisor. Franchisee shall not issue coupons or discounts of any type for use at the Spitz Restaurant except as approved by Franchisor in writing, which may be withheld in Franchisor's sole and absolute discretion.

7.7 **Oversight and Management**. The Operating Partner shall be responsible for oversight of the day-to-day operations of the Spitz Restaurant and shall devote his full time and best efforts solely to operation of the Spitz Restaurants operated by Franchisee and to no other business activities. Franchisee shall provide comprehensive initial training programs, additional training programs and remedial training programs for its supervisorial or managerial personnel and other employees and shall ensure that the Spitz Restaurant is at all times under the direct control of a General Manager and other supervisorial or managerial personnel fully trained by Franchisee and solely dedicated to operation of the Spitz Restaurant. Each General Manager shall have a skill level, training and experience commensurate with the demands of the position and conform in all respects with Franchisor's high standards for quality products, courteous service, and cleanliness of operations. Franchisee, its Operating Partner and each General Manager shall successfully complete the ServSafe® Food Safety Certification Program or show evidence of prior ServSafe® certification. Franchisor may, in its sole discretion, replace the ServSafe® Food Safety Certification Program with another food safety certification program, if deemed appropriate. Franchisee shall be responsible for all fees and material costs associated with any certification program. In addition, Franchisor may, in its sole discretion, contract with a third party to conduct sanitation and food safety audits of the Spitz Restaurant periodically throughout the Term of this Agreement, but no less than once per calendar year.

7.8 **Menus**. The approved and authorized menu and menu formats may include, in Franchisor's discretion, requirements on organization, graphics, product descriptions, illustrations and any other matters related to the menu, whether similar to those listed or not. In Franchisor's discretion, the menu and/or menu formats may vary depending upon region, market size and other factors which affect the Spitz Restaurant. Franchisor may change the menu and/or menu formats at any time and authorize tests from region to region or within regions. Franchisee shall, upon receipt of notice from Franchisor, add, delete, or update any Authorized Spitz Products to its menu according to the instructions contained in the notice. Franchisee shall have a minimum of thirty (30) days and not more than sixty (60) days after receipt of written notice in which to fully implement any menu change. Franchisee shall cease selling previously approved Authorized Spitz Products within thirty (30) days after receipt of notice that the product is no longer approved. All menus, containers, napkins, bags, cups and other packaging and like articles used at the Spitz Restaurant shall conform to Franchisor's specifications, shall be imprinted with the Spitz Marks, if and as specified by Franchisor, and shall be purchased by Franchisee from an Approved Supplier.

7.9 **Compliance with Applicable Law**. Franchisee shall operate the Spitz Restaurant as a clean, orderly, legal and respectable place of business in accordance with Franchisor's business standards and merchandising policies and shall comply with all Applicable Laws. Franchisee shall not cause or allow any part of the Spitz Restaurant or the Franchised Location to be used for any immoral or illegal purpose. Franchisee shall in all dealings with its customers, suppliers, and public officials adhere to high standards of honesty, integrity, fair dealing and ethical conduct and refrain from engaging in any action which will cause Franchisor to be in violation of any Applicable Law. If Franchisee shall receive any notice, report, fine, test results or the like from any applicable department of health (or other similar Governmental Authority), Franchisee shall promptly send a copy of the same to Franchisor.

7.10 **Hours**. Subject to Applicable Law, the Spitz Restaurant shall be open and operational at least ten (10) hours per day, seven (7) days per week or as otherwise prescribed by Franchisor. Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum Gross Revenue possible from its Franchised Location, and shall remain open for longer hours if additional opening hours are reasonably required to maximize operations and sales.

7.11 **Signs**. Franchisee shall maintain approved signs and/or awnings at, on, or near the front of the Spitz Restaurant, identifying the Franchised Location as a Spitz Restaurant, which shall conform in all respects to

Franchisor's specifications and requirements and the layout and design plan approved for the Franchised Location, subject only to restrictions imposed by Applicable Law.

7.12 **Franchisee Employee Policies**. Franchisee shall maintain a competent, conscientious, and trained staff and shall take all steps necessary to ensure that its employees preserve good customer relations, render competent, prompt, courteous, and knowledgeable service, and meet the minimum training standards that Franchisor may establish at any time in the Manuals or otherwise. All employees hired by or working for Franchisee shall be the employees of Franchisee, and Franchisee alone, and shall not, for any purpose, be deemed to be the employees of Franchisor or subject to Franchisor's direct or indirect control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any Governmental Authority. Franchisee will file its own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation insurance payments with respect to its employees and operations. Franchisee acknowledges and agrees that Franchisor will not have the power or authority to recruit, hire, schedule, discipline, set compensation and benefits for, or fire Franchisee's employees or contractors. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify Franchisee's supervisorial or managerial personnel for qualification to perform certain functions at the Spitz Restaurant does not directly or indirectly vest in Franchisor the power to hire, fire, supervise, manage or control any of Franchisee's personnel. Franchisee alone shall be solely responsible for all hiring and employment decisions and functions relating to the Spitz Restaurant, including, without limitation, those related to hiring, firing, training, establishing compensation and benefits, scheduling, compliance with wage and hour requirements, personnel policies, benefits, record keeping, supervision, and discipline of employees, regardless of whether Franchisee has received advice from Franchisor on these subjects or not. Franchisee acknowledges and agrees that any guidance Franchisee receives from Franchisor regarding employment policies and terms and conditions of employment should be considered as examples, that Franchisee alone is responsible for establishing and implementing its own employment policies and terms and conditions of employment. Franchisee understands that it should consult with its own legal counsel regarding employment law matters. Franchisee shall immediately defend, reimburse and hold Franchisor harmless from any direct or indirect losses, costs and expenses, including attorney's fees, arising out of any claim made by or for the benefit of any employee of Franchisee against Franchisor regarding the employee's employment or failure to obtain or continue employment at the Spitz Restaurant, including, without limitation, those related to hiring, firing, training, wage and hour requirements, scheduling, workplace conditions, terms and conditions of employment, violations of federal, state or local laws relating to employment or the workplace, record keeping, supervision, and discipline of employees. Franchisee shall take all action necessary to ensure that Franchisee's employees understand and acknowledge that they are not employees of Franchisor, including, without limitation, requiring Franchisee's employees to sign a written acknowledgement that Franchisee is an independently owned and operated franchise and their sole employer in a form specified by Franchisor in the Manuals or otherwise in writing. Franchisee shall cause all employees, while working in the Spitz Restaurant, to wear uniforms of the color, design and other specifications that Franchisor may designate in its sole discretion and to present a neat and clean appearance. If Franchisor removes a type of uniform utilized by Franchisee from the list of approved uniforms, Franchisee shall have thirty (30) days from receipt of written notice of removal to discontinue use of its existing inventory of uniforms and obtain and use the approved type of uniform.

7.13 **Vending or Other Machines**. Except with Franchisor's written approval, Franchisee shall not cause or permit vending, gaming machines, pay telephones, automatic teller machines, Internet kiosks or any other mechanical or electrical device to be installed or maintained at the Spitz Restaurant.

7.14 **Co-Branding**. Franchisee may not engage in any co-branding in or in connection with the Spitz Restaurant except with Franchisor's prior written consent. Franchisor may approve any co-branding chain or arrangement in its discretion, and only if Franchisor has recognized that co-branding chain as an approved co-brand for operation within Spitz Restaurants.

7.15 **Customer Complaints and Cooperation**. Franchisee shall respond promptly to each customer inquiry or complaint and resolve all reasonable complaints to the customer's satisfaction. At Franchisor's request, Franchisee shall use and display in the Spitz Restaurant during all operating hours customer comment cards in the manner specified in the Manuals. Franchisee shall purchase from Franchisor or an Approved Supplier, and maintain in the Spitz Restaurant, a supply of postage prepaid customer comment cards reasonably adequate to meet Franchisee's needs. Franchisee shall at all times cooperate with Franchisor and other franchisees of Franchisor and shall actively

participate in any and all sales, public relations, advertising, cooperative advertising and purchasing programs or promotional programs which may be developed and implemented by Franchisor which call for the cooperation of Franchisee and other franchisees of Franchisor. Franchisee shall further cooperate in any additional programs which may be established and designated by Franchisor time including participating in coupon programs, the system-wide use of gift cards, and other similar programs for the benefit of the Spitz System and shall comply with Franchisor's rules and regulations established for such programs. Franchisee shall cooperate with Franchisor in connection with the test marketing of products and services at the Spitz Restaurant and shall comply with Franchisor's rules and regulations established for the test marketing programs.

7.16 **Adequate Reserves and Working Capital**. Franchisee shall, at all times, maintain adequate reserves and working capital sufficient for Franchisee to fulfill all of Franchisee's obligations under this Agreement and to cover the risks and contingencies of the Spitz Restaurant for at least three (3) months.

7.17 **Re-Imaging of Spitz Restaurant**. Franchisee shall at its own expense, make the alterations, additions, or modifications to the Spitz Restaurant that Franchisor may reasonably require to accommodate changes made by Franchisor to the Spitz System, including, without limitation, changes to menu items or market positioning. Franchisee shall have ninety (90) days from receipt of notice from Franchisor regarding re-imaging requirements in which to make the required alterations, additions, or modifications to the Spitz Restaurant.

7.18 **Intranet**. If Franchisor establishes a Spitz franchisee Intranet, Franchisee shall have the mere privilege to use the Intranet, subject to Franchisee's strict compliance with the standards and specifications, protocols and restrictions that Franchisor may establish. Franchisee acknowledges that, as administrator of the Intranet, Franchisor may access and view any communication posted on the Intranet. Franchisee further acknowledges that the Intranet facility and all communications that are posted to it will become Franchisor's property, free of any claims of privacy or privilege that Franchisee or any other person may assert. Upon receipt of notice from Franchisor that Franchisor has established an Intranet, Franchisee shall establish and continually maintain an electronic connection with the Intranet as specified in the Manuals that allows Franchisor to send messages to and receive messages from Franchisee. If Franchisee shall Default under this Agreement or any other agreement with Franchisor, Franchisor may, in addition to, and without limiting any other rights and remedies available to Franchisor, disable or terminate Franchisee's access to the Intranet without Franchisor having any liability to Franchisee.

7.19 **Improvements**. If Franchisee develops any new concept, process or improvement in the Spitz System (an "**Improvement**"), Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any Improvement shall become the sole property of Franchisor and Franchisor shall be the sole owner of all related intellectual property rights. Franchisee hereby assigns to Franchisor any rights Franchisee may have or acquire in the Improvements, including the right to modify the Improvement, and Franchisee waives and/or releases all rights of restraint and moral rights therein and thereto. Franchisee shall assist Franchisor in obtaining and enforcing the intellectual property rights to any Improvement in any and all countries and further agrees to execute and provide Franchisor with all necessary documentation for obtaining and enforcing those rights. Franchisee hereby irrevocably designates and appoints Franchisor as Franchisee's agent and attorney-in-fact to execute and file any documentation and to do all other lawful acts to further the prosecution and issuance of intellectual property rights related to any Improvement. If the foregoing provisions of this Section 7.19 are found to be invalid or otherwise unenforceable, Franchisee hereby grants Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense to use the Improvement to the extent the use or sublicense would, absent this Agreement, directly or indirectly infringe Franchisee's rights therein.

7.20 **Refurbishment of Spitz Restaurant**. At Franchisor′s request, but not more often than once every five (5) years unless sooner required by the Lease, Franchisee shall refurbish the Spitz Restaurant, at its own expense, to conform to the building design, trade dress, color schemes, and presentation of the Spitz Marks in a manner consistent with the then-current public image for new or remodeled Spitz Restaurants, including, without limitation, replacement or renovation of equipment, remodeling, redecoration, and modifications to existing improvements and reasonable structural changes that Franchisor may reasonably require or that may be required by Applicable Law. Franchisee's costs for the required refurbishment shall not exceed $100,000 for the interior of the Spitz Restaurant or $50,000 for the exterior of the Spitz Restaurant. Franchisor may modify these limits once annually in the Manuals to increase or decrease by the annual change in the Consumer Price Index for All Urban Consumers, All Items (CPI-U, 1982-84=100).

7.21 **Notifications and Crisis Management Events**. Franchisee shall notify Franchisor in writing within (i) twenty-four (24) hours, and confirm in writing within two (2) days thereafter, of any investigation or violation, actual or alleged, of any health, liquor or narcotics laws or regulation related to the Spitz Restaurant, and (ii) five (5) days of the commencement of any investigation, action, suit, or proceeding or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other Governmental Authority which may adversely affect the operation or financial condition of the Spitz Restaurant. Franchisee shall immediately inform Franchisor's President (or as otherwise instructed in the Manuals) by telephone of the occurrence of a Crisis Management Event. Franchisee shall cooperate fully with Franchisor with respect to Franchisor's response to a Crisis Management Event.

7.22 **Authorization to Release Information and Use Images**. Franchisee hereby authorizes (and agrees to execute any other documents deemed necessary to effect the authorization) (i) all banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with whom Franchisee does business to disclose to Franchisor any financial information in their possession relating to Franchisee or the Spitz Restaurant which Franchisor may request; (ii) Franchisor to disclose to prospective franchisees or other third parties data from Franchisee's reports if Franchisor determines, in Franchisor's sole discretion, that the disclosure is necessary or advisable; (iii) Franchisor to photograph and film Franchisee, its employees, the public and all areas of the Spitz Restaurant, without further authorization from, or compensation to, Franchisee and to use their images for marketing and promotion of the Spitz Restaurant, other Spitz Restaurants and franchises for Spitz Restaurants; and (iv) Franchisor to disclose to third parties, including but not limited to Franchisee's Landlord or bank, information about Franchisee relating to Franchisee's obligations or performance under this Agreement if Franchisor determines, in Franchisor's sole discretion, that the disclosure is necessary or advisable.

7.23 **Annual Franchisee Conference**. Franchisor may hold an Annual Franchisee Conference for all Spitz franchisees each year. The Operating Partner and each General Manager shall attend the Annual Franchisee Conference. Franchisee shall pay Franchisor a "**Franchisee Conference Fee**" to reimburse Franchisor for a portion of the direct costs to provide the Annual Franchisee Conference. Franchisee shall pay the Franchisee Conference Fee upon demand at least thirty (30) days before the date of the Annual Franchisee Conference, whether or not Franchisee attends the Annual Franchisee Conference.

7.24 **Liquor License**. Franchisor, in its sole discretion, may require Franchisee to use its best efforts to obtain a license to sell spirits, beer, wine and alcoholic beverages (a "**Liquor License**") at the Spitz Restaurant prior to the Opening Date. Once Franchisee obtains a Liquor License at the Spitz Restaurant, Franchisee must maintain the Liquor License throughout the Term of this Agreement. Franchisee additionally agrees to provide alcoholic beverage services at the Spitz Restaurant that Franchisor designates in its Manuals in accordance with Spitz System standards and subject to all Applicable Laws. Franchisor has the right to approve the form of any agreements, and all modifications to them, between Franchisee and any person or entity providing alcohol beverage services to Franchisee, and the quality and brands of liquor, beer, wine, and other beverages Franchisor has approved to be sold at Spitz Restaurants.

7.25 **Credit Cards**. Franchisee shall honor all credit, charge, courtesy and cash cards approved by Franchisor in writing. To the extent Franchisee shall store, process, transmit or otherwise access or possess cardholder data in connection with the operation of the Spitz Restaurant, Franchisee shall maintain the security of cardholder data and adhere to the then-current Payment Card Industry Data Security Standards ("**PCI DSS**"), currently found at www.pcisecuritystandards.org, for the protection of cardholder data throughout the Term. Franchisee shall be and remain responsible for the security of cardholder data in the possession or control of any subcontractors Franchisee engages to process credit cards. All subcontractors must be identified to and approved by Franchisor in writing prior to sharing cardholder data with the subcontractor. Franchisee shall, if requested to do so by Franchisor, provide appropriate documentation to Franchisor to demonstrate compliance with applicable PCI DSS requirements by Franchisee and all identified subcontractors.

7.26 **Gift Cards, Loyalty, CRM, Social Media Software, Online and Mobile Ordering Programs**. Franchisee shall not create or issue any gift certificates or gift cards and shall only sell gift certificates or gift cards that have been issued by Franchisor that are accepted at all Spitz Restaurants. Franchisee shall participate in all gift certificate and/or gift card administration programs as and when Franchisor may designate. Franchisee shall honor all coupons, gift certificates, gift cards and other programs or promotions as directed by Franchisor. Franchisee shall fully participate in all guest loyalty or frequent customer programs now or in the future adopted or approved by Franchisor. Franchisee shall not issue coupons or discounts of any type for use at the Spitz Restaurant except as approved by

Franchisor in writing, which may be withheld in Franchisor's sole and absolute discretion. In addition, Franchisee shall purchase, enroll in or subscribe to, as applicable, all CRM, social media analytics, and online and mobile ordering software or programs as specified by Franchisor in its Manual or otherwise in writing. Franchisor reserves the right to change the designated suppliers of these or similar services in Franchisor's sole discretion. Franchisee shall change, purchase or subscribe to the additional programs or software, as applicable, immediately upon notice from Franchisor to do so.

7.27 **Payment of Debts**. Franchisee shall be solely responsible for selecting, retaining and paying Franchisee's employees; the payment of all invoices for the purchase of goods and services used in connection with operating the Spitz Restaurant and determining whether, and on what terms, to obtain any financing or credit which Franchisee deems advisable or necessary for the opening and operation of the Spitz Restaurant. Franchisee shall pay all obligations and liabilities to suppliers, lessors and creditors on a timely basis. Franchisee shall indemnify Franchisor if Franchisor is held responsible for any debts owed by Franchisee if Franchisor elects to pay any of Franchisee's obligations to preserve the relationship between suppliers and Spitz franchisees. Franchisee shall make prompt payment of all federal, state and local taxes, including individual and corporate taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, FICA taxes, and personal property and real estate taxes arising from Franchisee's operation of the Spitz Restaurant. Franchisee shall indemnify Franchisor if Franchisor is held responsible for any of these taxes.

7.28 **Data Security Safeguards**. Franchisee shall exert Franchisee's best efforts to protect its customers against a cyber-event, including, without limitation, a data breach or other identity theft or theft of personal information (collectively, a "**Cyber Event**"). If a Cyber Event occurs, regardless of whether the Cyber Event affects only the Spitz Restaurant, Franchisor reserves the right, but shall not have any obligation, to perform and/or control and/or cause its third-party consultants to perform and/or control all aspects of the response to the Cyber Event including, without limitation, the investigation, containment and resolution of the Cyber Event and all communications within the Spitz franchise system and with vendors and suppliers, Governmental Authorities and the general public. Franchisor's control of the response to a Cyber Event may potentially affect or interrupt operations of the Spitz Restaurant, but shall not create any liability for Franchisor or additional rights for Franchisee, entitle Franchisee to damages or relieve Franchisee of Franchisee's indemnification obligations under Section 18.4. Franchisee shall reimburse Franchisor for all of Franchisor's out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event caused solely by Franchisee or the Spitz Restaurant. Franchisee shall at all times be compliant with (i) the NACHA ACH Security Framework; (ii) the Payment Rules; (iii) Applicable Law regarding data privacy, data security and security breaches; and (iv) Franchisor's security policies and guidelines, all as may be adopted and/or amended (collectively, "**Data Security Safeguards**"). Franchisee shall obtain advice from Franchisee's own legal and security consultants to ensure that Franchisee operates the Spitz Restaurant at all times in full compliance with the Data Security Safeguards. Notwithstanding Franchisor's right to perform and/or control all aspects of a response to a Cyber Event, Franchisor shall make commercially reasonable efforts to coordinate its response with Franchisee and Franchisee's insurance carrier(s) and to cooperate with Franchisee's insurance carrier(s) regarding insurance coverage of the Cyber Event to the extent reasonably practicable under the circumstances.

8. SUPPLIERS AND PRODUCTS

To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same:

8.1 **Approved Suppliers**. All Spitz Branded Products, Spitz Proprietary Products and Non- Proprietary Products designated by Franchisor for use and sale at the Spitz Restaurant must be purchased from Approved Suppliers. Franchisor and its Affiliates may be, but are not obligated to become, Approved Suppliers of certain Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products and may act as the sole Approved Suppliers of certain Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products. Franchisor may operate an Online Portal that Franchisee can use to buy Spitz Branded Products, Spitz Proprietary Products, marketing materials, handbooks and menus directly from Approved Suppliers.

8.2 **Recommended Suppliers**. If Franchisee desires to purchase authorized Non-Proprietary Products from a Recommended Supplier rather than from Franchisor, its Affiliates or an Approved Supplier, Franchisee shall deliver written notice to Franchisor identifying the Recommended Supplier and shall provide Franchisor with

reasonable financial, operational and other information regarding the Recommended Supplier necessary for Franchisor to assess the Recommended Supplier. Franchisor shall notify Franchisee in writing of Franchisor's decision to approve or disapprove the Recommended Supplier within sixty (60) days after Franchisor's receipt of the necessary information from Franchisee As a condition of its approval, Franchisor may require a Recommended Supplier to agree in writing to (i) provide, upon Franchisor's request, free samples of the Non-Proprietary Product the Recommended Supplier intends to supply to Franchisee; (ii) faithfully comply with Franchisor's specifications for the Non-Proprietary Products to be sold by the Recommended Supplier; (iii) sell any Non-Proprietary Products bearing the Spitz Marks only to franchisees of Franchisor and only under a trademark license agreement with Franchisor; (iv) provide Franchisor, upon request, with duplicate purchase invoices issued to Franchisee for Franchisor's records and inspection purposes; and (v) otherwise comply with Franchisor's reasonable requests. Further, Franchisor may require Franchisee or the Recommended Supplier to reimburse Franchisor for all of Franchisor's actual costs in reviewing the application of the Recommended Supplier and all current and future reasonable costs and expenses, including travel and living costs related to inspecting, re-inspecting and auditing the Recommended Suppliers' facilities, equipment, and food products. Franchisee shall pay Franchisor, in advance, a deposit of up to $1,000, before Franchisor begins any inspection. Franchisor may revoke its approval of a previously approved Recommended Supplier if the Recommended Supplier does not continue to satisfy Franchisor's criteria.

8.3 **Purchases from Franchisor or its Affiliates**. All Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products purchased from Franchisor or its Affiliates shall be purchased in accordance with the purchase order format as and when issued time by Franchisor or its Affiliates and at the prices and on delivery terms and other terms offered to similarly situated Spitz Franchisees. Franchisor, or its Affiliates, in its sole and absolute discretion, may establish the credit terms, if any, upon which it will accept Franchisee's orders, and may require Franchisee to pay for orders on a cash-in-advance or cash-on-delivery basis. On the expiration or termination of this Agreement, or in the event of any Default by Franchisee under this Agreement, Franchisor or its Affiliates shall not be obliged to fill or ship any orders then pending or, in the case of termination or non-renewal, made any time thereafter by Franchisee and may, among other things, only deliver the quantities reasonably necessary to supply Franchisee′s needs prior to the expiration or termination of this Agreement. Franchisor or its Affiliates shall not be liable to Franchisee for any delay or delivery failure caused by Force Majeure. Franchisor or its Affiliate shall not be liable to Franchisee for unavailability of, or delay in shipment or receipt of, merchandise because of temporary product shortages, order backlogs, production difficulties, delays, unavailability of transportation, fire, strikes, work stoppages, or other causes beyond the reasonable control of Franchisor or its Affiliate. If any goods or products sold by Franchisor or its Affiliate are not in sufficient supply to fully fulfill all orders, Franchisor or its Affiliate may allocate the available supply among itself, its Affiliates and others, including Franchisee and other franchisees, in any way Franchisor or its Affiliate deems appropriate, which may result in Franchisee not receiving any allocation of certain goods or products as a result of a shortage.

8.4 **Rebates**. Franchisor or its Affiliates may receive rebates or allowances from certain Approved Suppliers on purchases of Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products made by Franchisee and other Spitz franchisees. Rebates and allowances will generally be a percentage of the revenue derived by the Approved Supplier from sales to Spitz Restaurants, will be included in Franchisor's general revenue, and may be used by Franchisor for a variety of purposes including ongoing programs, education, marketing, advertising, seminars and conferences, the handling of inquiries and complaints from franchisees' customers and for general and administrative expenses. Franchisor may use these rebate and allowance funds received for any purpose in its sole and absolute discretion.

9. SPITZ MARKS

Franchisor and its Affiliates continue to develop, use and control the use of the Spitz Marks in order to identify for the public the source of services and products marketed under the Spitz Marks and the Spitz System and to represent the Spitz System's high standards of quality, appearance and service. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same:

9.1 **Ownership and Goodwill of Spitz Marks**. Franchisee acknowledges that its right to use the Spitz Marks is derived solely from this Agreement and is limited to use in operating as Franchisee pursuant to and in compliance with this Agreement. Any unauthorized use of the Spitz Marks by Franchisee shall constitute a breach of this Agreement and an infringement of Franchisor's rights in and to the Spitz Marks. Franchisee acknowledges and

agrees that (i) Franchisor owns the Spitz Marks and the Spitz System; (ii) Franchisee owns no goodwill or rights in the Spitz Marks or the Spitz System except for the license granted by this Agreement; and (iii) Franchisee's use of the Spitz Marks and any goodwill established by that use shall inure to the exclusive benefit of Franchisor. Franchisee agrees not to contest, or assist any other person to contest, the validity of Franchisor's rights and interest in the Spitz Marks or the Spitz System either during the Term or after this Agreement terminates or expires.

9.2 **Limitations on Use**. Franchisee shall not use any Spitz Marks (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Franchisee under this Agreement); (ii) in connection with unauthorized services or products; (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; or (iv) in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give all notices of trademark and service mark registration that Franchisor specifies and shall use and obtain all fictitious or assumed name registrations required by Franchisor or under Applicable Law. Franchisee further agrees that no service mark other than "**Spitz**" or other Spitz Marks specified by Franchisor shall be used in marketing, promoting, or operating the Spitz Restaurant.

9.3 **Modifications**. Franchisor reserves the right to (i) modify or discontinue licensing any of the Spitz Marks; (ii) add new names, marks, designs, logos or commercial symbols to the Spitz Marks and require that Franchisee use them; and (iii) require that Franchisee introduce or observe new practices as part of the Spitz System in operating the Spitz Restaurant. Franchisee acknowledges and agrees that the term Spitz Marks means the specific names, marks, designs, logos or commercial symbols licensed by Franchisor at any given point in time, subject to Franchisor's right to impose changes. Franchisee shall comply, at Franchisee's sole expense, with Franchisor's directions regarding changes in the Spitz Marks and Spitz System within a reasonable time after written notice from Franchisor. Franchisor shall have no liability to Franchisee for any cost, expense, loss or damage that Franchisee incurs in complying with Franchisor's directions and conforming to required changes.

9.4 **Defense of Spitz Marks and Spitz System**. Franchisor shall have the sole right to handle disputes with Franchisees and third parties concerning Franchisor's or Franchisor's Affiliates' ownership of, rights in, or Franchisee's use of, the Spitz Marks or the Spitz System. Franchisee shall immediately notify Franchisor in writing if Franchisee receives notice, or is informed, of any (i) improper use of any of the Spitz Marks or elements of the Spitz System, including misuse by Franchisees; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Franchisee's judgment, may be confusingly similar to any of the Spitz Marks; (iii) use by any third party of any business practice which, in Franchisee's judgment, unfairly simulates the Spitz System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Franchisee based upon Franchisee's use of the Spitz Marks or the Spitz System. Franchisor shall have sole discretion to take all action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Spitz Marks or the Spitz System. Franchisee shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Franchisor's decisions in handling disputes regarding the Spitz Marks and the Spitz System. Franchisee shall cooperate fully with Franchisor and execute all documents and perform all actions as may, in Franchisor's judgment, be necessary, appropriate or advisable in the defense of all claims, suits or demands and to protect and maintain Franchisor's rights in the Spitz Marks and the Spitz System. Unless it is established that a third party claim asserted against Franchisee is based directly upon Franchisee's misuse of the Spitz Marks or the Spitz System, Franchisor agrees to defend Franchisee against the third party claim and indemnify Franchisee for any losses resulting therefore, provided Franchisee has notified Franchisor as soon as practical after learning of the claim and fully cooperates in the defense of the action. Because Franchisor will defend the third party claim, Franchisee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter.

10. ADVERTISING

To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same:

10.1 **Marketing Fund**. Franchisor may, upon ninety (90) days' notice to Franchisee, require Franchisee to pay to Franchisor up to two percent (2%) of Gross Revenue ("**Marketing Fund Fee**") to the Marketing Fund as a Marketing Fee.

10.1.1 If implemented, the Marketing Fund will be administered by Franchisor and shall be used to meet the costs of conducting marketing and promotional activities. Franchisor retains sole discretion over all marketing and public relations programs and activities financed by the Marketing Fund, including the creative concepts, materials and endorsements used and the geographic market, media placement and allocation. The Marketing Fund may be used to pay the costs of preparing and producing associated materials and programs as Franchisor determines, including video, audio and written marketing materials employing marketing agencies, sponsorship of sporting, charitable or similar events, administering regional and multi- regional marketing programs including purchasing direct mail and other media marketing, and employing marketing agencies to assist with marketing efforts, supporting public relations, market research and other marketing and promotional activities, campaigns, test marketing, marketing surveys, public relations activities, website development/operation for portal, Internet, Intranet and URL services and for 800 or similar numbers. All expenditures are at the sole discretion of Franchisor. Franchisor may spend in any year more or less than the total contributions to the Marketing Fund in that year. Franchisor may borrow from Franchisor or other lenders on behalf of the Marketing Fund to cover deficits of the Marketing Fund or cause the Marketing Fund to invest any surplus for future use by the Marketing Fund.

10.1.2 Franchisee acknowledges that the Marketing Fund is intended to maximize general public recognition of and the acceptance of the Spitz brand for the benefit of the Spitz System as a whole. Franchisor undertakes no obligation, in administering the Marketing Fund, to make expenditures for Franchisee that are equivalent or proportionate to its contribution, or to insure that any particular Franchisee benefits directly or pro rata from marketing or promotion conducted with the Marketing Fund. If Franchisor has not yet established a Marketing Fund as of the Effective Date, Franchisee shall not be required to pay the Marketing Fee until such time as Franchisor establishes the Marketing Fund, at which time Franchisee shall begin making Marketing Fee contributions in accordance with this Section 10.1 upon ninety (90) days' notice to Franchisee. Franchisee acknowledges that neither Franchisor, nor any Affiliate of Franchisor, shall be required to contribute any amount to the Marketing Fund pursuant to its or their operation of a Spitz Restaurant or other business utilizing the Spitz Marks or the Spitz System.

10.1.3 Franchisor will maintain the Marketing Fund in an account separate from Franchisor's other monies, and will not use it to defray any of Franchisor's expenses, except for reasonable administrative and marketing wages and costs and overhead which Franchisor may incur in activities related to administering the Marketing Fund and marketing programs for Franchisor's franchisees. The Marketing Fund will not be used to solicit or to sell Spitz franchises to prospective franchisees. The Marketing Fund is not and will not be an asset of Franchisor. Any Marketing Fund Fees collected in a year, but not spent in that year, will be carried over to the next year. Franchisor maintains the right to terminate the collection and disbursement of Marketing Fund Fees upon ninety (90) days prior written notice to Franchisee. Upon termination, Franchisor shall disburse the remaining Marketing Fund Fees on hand only for the purposes authorized by this Article 10. Upon request, Franchisor will prepare an annual accounting of the Marketing Fund and will distribute it to Spitz Franchisees, once a year, that will state the total amount of money collected and spent by the Marketing Fund during the previous year and list, by general category, the manner in which Franchisor spent the money. The report will not be separately audited but will be examined as part of the overall annual audit of Franchisor's books.

10.2 **Local Advertising and Promotion**. Currently, Franchisee shall establish and maintain throughout the Term an account with Franchisor's required vendor, a social media/brand management company, or its successors, at Franchisee's expense to permit Franchisee to participate in approved social media marketing and online brand management. After the first thirty (30) days of the grand opening of the Spitz Restaurant, Franchisee will be required to pay a monthly management fee plus advertising expense directly to Franchisor's required vendor, which will manage the social media accounts of the Spitz Restaurant on behalf of Franchisee. Franchisor reserves the right to change its required vendor for related social media marketing, or the services Franchisor requires Franchisee to obtain, at any time, in its sole discretion, in which event, Franchisee must establish and maintain an account with the replacement vendor, or obtain new or additional services, upon thirty (30) days' written notice from Franchisor. Other than the monthly management fee paid directly to Franchisor's required vendor and advertising fees paid directly to Facebook for social media and brand management services, Franchisee is not obligated to spend money on local advertising and promotion of the Spitz Restaurant, but Franchisor reserves the right to do so in the future. The local advertising requirement will not exceed one percent (1%) of Franchisee's Gross Revenue per month. All advertising must meet Franchisor's specifications in the Manuals. Franchisee must submit to Franchisor before use, samples of all local advertising materials, and descriptions of all local advertising programs, not prepared or previously approved by Franchisor, for Franchisor's approval. Franchisee may not use any advertising material or program or use the Spitz

logo or Spitz Marks in any public manner without Franchisor's prior written approval. Franchisor shall have the right at any time after Franchisee commences use of any materials to prohibit further use, effective upon written notice to Franchisee.

10.3 **Cooperative Advertising Programs**. Franchisor may at any time establish programs for co-operative advertising ("**Cooperative Programs**") to coordinate advertising, marketing efforts and programs, to serve as a conduit for the collection and expenditure of the contributed funds and to maximize the efficient use of local and/or regional advertising media. If and when Franchisor creates a Cooperative Program for the an advertising coverage area (an "**Advertising Coverage Area**") in which the Spitz Restaurant is located, Franchisee (and, if Franchisor or an Affiliate of Franchisor owns an Spitz Restaurant in the Advertising Coverage Area, then Franchisor or such Affiliate of Franchisor), shall become a subscriber and member of the Cooperative Program and shall participate in the Cooperative Program in the manner prescribed by Franchisor. The size and content of an Advertising Coverage Area, when and if established by Franchisor, shall be binding upon Franchisee, and all other similarly situated Spitz Franchisees and Franchisor or an Affiliate of Franchisor, if it operates Spitz Restaurants in the Advertising Coverage Area. Each participating Spitz Franchisee, as well as Franchisor (or its Affiliate), if applicable, shall be entitled to one vote for each Spitz Restaurant located within the Advertising Coverage Area as may reasonably be determined by Franchisor.

10.3.1 Franchisee and all other members of the Advertising Coverage Area whose Franchise Agreements require their participation in the Cooperative Program, shall contribute to the Cooperative Program the amounts that are determined by fifty percent (50%) or more of the participating Spitz Restaurants in the Cooperative Program (to an amount not to exceed two percent (2%) of the Gross Revenue of each participating Spitz Restaurant located in the Advertising Coverage Area, subject to Franchisor's written approval.

10.3.2 Franchisor shall administer the Cooperative Program and shall determine the policies of the Cooperative Program and the usage of the available funds for media time, production of media materials, radio, television, newspapers or Spitz Restaurant level materials such as flyers, or posters, or for any other type of advertising or marketing use. Franchisor reserves the right to establish general standards concerning the operation of the Cooperative Program, advertising agencies retained by the Cooperative Program, and advertising conducted by the Cooperative Program. Any disputes (other than pricing) arising among or between Franchisee, other Spitz Franchisees, and/or the Cooperative Program shall be resolved by Franchisor, whose decision shall be final and binding on all parties.

10.4 **Grand Opening Campaign**. Franchisee shall spend at least $6,200 and not more than $10,000, with the exact amount determined by Franchisor, in connection with the grand opening of the Spitz Restaurant within ninety (90) days of the Opening Date. Franchisee shall provide Franchisor with copies of all invoices, statements, canceled checks or other forms of payment which have been issued by Franchisee during such ninety (90) day period which evidence the expenditure and payment by Franchisee of the amounts required by this Section 10.4 for the grand opening advertising campaign for the Spitz Restaurant.

10.5 **Promotional Campaigns**. At any time during the Term, Franchisor shall have the right to establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. Franchisee shall participate in the promotional campaigns upon the terms and conditions that Franchisor may establish. Franchisee acknowledges and agrees that participation may require Franchisee to purchase point of sale advertising material, posters, flyers, product displays and other promotional materials.

10.6 **Advertising Council**. Franchisor may at any time establish an Advertising Council for Spitz Franchisees.

10.7 **Internet**. Franchisee shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, web site, domain name, bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays, in whole or part, the Spitz Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Franchisor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Franchisor may establish and modify at any time. Franchisee shall not

separately register any domain name or any portion of any domain name containing the Spitz Marks or participate or market on any web site or other form of electronic media (including, without limitation, through the use of social technology, social media, social networking platforms or other forms of electronic media not yet developed) using the Spitz Marks without Franchisor's prior written consent. Franchisee's general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules, requirements or policies that Franchisor may identify and modify at any time. Franchisor may, at any time after Franchisee commences use of any approved electronic media, prohibit further use, effective upon receipt of written notice by Franchisee.

10.8 **Web Sites**. Franchisor shall establish and maintain one or more Internet web sites that shall be used to provide information about Spitz Restaurants to the public. Franchisor has sole discretion and control over the establishment, design and content of the web site. Franchisor may, in its discretion, configure the site to accommodate one or more interior pages which Franchisor shall dedicate, in whole or in part, to the Spitz Restaurant, all at Franchisee's expense. Franchisor shall have the right, at its sole option and discretion, to at any time (i) change, revise, or eliminate the design, content and functionality of the web site; (ii) make operational changes to the web site; (iii) change or modify the URL and/or domain name of the web site; (iv) substitute, modify, or rearrange the web site, at Franchisor's sole option, including in any manner that Franchisor considers necessary or desirable to comply with Applicable Laws, or respond to changes in market conditions or technology and respond to any other circumstances; (v) limit or restrict end-user access (in whole or in part) to the web site; and (vi) disable or terminate the web site without any liability to Franchisee.

11. CONFIDENTIAL INFORMATION

11.1 **Confidential Information**. Franchisee acknowledges and agrees that the Spitz System is comprised of confidential information that has been developed by Franchisor and its affiliate by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary, confidential and constitutes trade secrets of Franchisor and its affiliates, and includes, without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, designs, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees of Franchisor and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the Spitz Restaurant which may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee′s operation of the Spitz Restaurant under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively, the "**Confidential Information**"). Confidential Information does not include any information that was in the lawful and unrestricted possession of Franchisee prior to its disclosure by Franchisor; is or becomes generally available to the public by acts other than those of Franchisee after receiving it; has been received lawfully and in good faith by Franchisee from a third party who did not derive it from Franchisor or Franchisee; or is shown by acceptable evidence to have been independently developed by Franchisee.

11.2 **Value**. Franchisee acknowledges and agrees the Confidential Information is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Franchisee; derives independent

economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or Franchisee; and is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Confidential Information, including, without limitation (i) not revealing the Confidential Information to unauthorized parties; (ii) requiring its franchisees to acknowledge and agree in writing that the Confidential Information is confidential; (iii) requiring its franchisees to agree in writing to maintain the confidentiality of the Confidential Information; (iv) monitoring electronic access to the Confidential Information by the use of passwords and other restrictions so that electronic access to the Confidential Information is limited to authorized parties; and (v) requiring its franchisees to return all Confidential Information to Franchisor upon the expiration or termination of their Franchise Agreements.

11.3 **Maintain Confidentiality**. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of anyone else, any information that Franchisor considers Spitz Trade Secrets and/or Confidential Information. Franchisee shall divulge such Confidential Information only to its supervisorial or managerial personnel who must have access to it in order to perform their employment responsibilities.

11.4 **Irreparable Injury from Disclosure of Confidential Information**. Franchisee acknowledges that failure to comply with the requirements of this Section 11 will result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Franchisee consents to the issuance of, and agrees to pay all court costs and reasonable attorneys′ fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Section 11.

11.5 **Confidentiality Covenants from Individuals Associated with Franchisee**. Franchisee shall require any supervisorial or managerial personnel who may have access to any Confidential Information of Franchisor to execute covenants that they will maintain the confidentiality of the Confidential Information they receive in connection with their association with Franchisee. Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

12. ACCOUNTING AND RECORDS

12.1 **General Reporting**. Franchisee shall submit weekly statistical control forms and other financial, operational and statistical information that Franchisor may require (i) to assist Franchisee in the operation of the Spitz Restaurant; (ii) to allow Franchisor to monitor Gross Revenue, purchases, costs and expenses; (iii) to enable Franchisor to develop chain wide statistics; (iv) to assist Franchisor in the development of new Authorized Spitz Products or the removal of existing unsuccessful Authorized Spitz Products; (v) to enable Franchisor to refine existing Authorized Spitz Products, and (vi) to generally improve chain-wide understanding of the Spitz System (collectively, the "**Reporting Information**").

12.2 **Specific Reporting**. Unless otherwise agreed by Franchisor in writing, Franchisee shall submit condensed reports of daily Gross Revenue to Franchisor on a weekly basis in accordance with the guidelines established by Franchisor. Franchisee will electronically link the Spitz Restaurant to Franchisor and will allow Franchisor to poll the POS System on a daily basis at a time selected by Franchisor to retrieve Reporting Information including sales, sales mix, usage and operations data. Further:

12.2.1 Within ten (10) days following the end of each month during the Term, or at any other interval that Franchisor may establish, Franchisee shall submit a Gross Revenue report signed by Franchisee, in the form and manner prescribed by Franchisor, reporting all Gross Revenue for the preceding month, together with the additional financial information that Franchisor may then request.

12.2.2 Within forty-five (45) days following the end of each calendar quarter during the Term, Franchisee shall submit to Franchisor financial statements for the preceding quarter, including a balance sheet and profit and loss statement, prepared in the form and manner prescribed by Franchisor and in accordance with generally accepted accounting principles, which shall be certified by Franchisee to be accurate and complete.

12.2.3 Within forty-five (45) days following the end of each calendar year during the Term, Franchisee shall submit to Franchisor an unaudited annual financial statement prepared in accordance with generally

accepted accounting principles, and in the form and manner prescribed by Franchisor, which shall be certified by Franchisee to be accurate and complete. Franchisee shall also provide Franchisor with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate Governmental Authority. Franchisor reserves the right to require the further information concerning the Spitz Restaurant that Franchisor may then reasonably request.

12.3 **Audits**. Franchisee shall prepare, and keep for not less than three (3) years following the end of each of its fiscal years, adequate books and records showing daily receipts in, at and from the Spitz Restaurants, applicable sales tax returns, if any, all pertinent original serially numbered sales slips and cash register records, and the other sales records as may be reasonably required by Franchisor to verify the Gross Revenue reported by Franchisee to Franchisor, in a form suitable for an audit of Franchisee's records by an authorized auditor or agent of Franchisor. Such information shall be broken down by categories of goods, foods and beverages sold, when possible. Franchisor, its agents or representatives may, at any reasonable time during normal working hours, audit or review Franchisee's books and records in accordance with generally accepted standards established by certified public accountants. If any audit or other investigation reveals an under-reporting or under-recording error of three percent (3%) or more, then in addition to any other sums due, the expenses of the audit/inspection shall be borne and paid by Franchisee upon billing by Franchisor, which shall include, without limitation, Franchisor's travel, lodging and wage expenses and reasonable accounting and legal expenses, plus interest at the rate of one and one-half percent (1.5%) per annum.

12.4 **Books and Records**. Franchisee shall maintain an accounting and record keeping system, which shall provide for basic accounting information necessary to prepare financial statements, a general ledger and reports required by this Agreement and the Manuals. Franchisee shall maintain accurate, adequate and verifiable books and supporting documentation relating to the accounting information.

12.5 **Use of Financial Statements In Disclosure Document**. Franchisee hereby irrevocably consents to Franchisor′s use of information contained in its financial statements, at Franchisor′s election, in its franchise disclosure document for the offer and sale of franchises.

13. INSURANCE

13.1 **Franchisee′s Insurance Obligations**. Franchisee shall obtain and maintain throughout the Term the types and amounts of insurance required by Franchisor and shall provide Franchisor with proof of coverage and Certificates of Insurance upon demand. Workers Compensation insurance must be in compliance with local laws and regulations. This insurance shall protect Franchisee and Franchisor against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the operation of the Spitz Restaurant. Franchisor reserves the right to change the insurance requirements during the term of this Agreement, including the types of coverage and the amounts of coverage. Franchisee must comply with any changes to these requirements.

13.2 **Required Endorsements and Certificates**. Each policy shall: (i) be written by insurers licensed and admitted to write coverage in the jurisdiction in which the Spitz Restaurant is located and with a rating of ″A″ or better as set forth in the most recent edition of Best′s Key Rating Guide; (ii) name Franchisor as an additional insured; and (iii) comply with the requirements prescribed by Franchisor at the time the policies are obtained. Franchisee and Franchisee′s insurers shall agree to waive their rights of subrogation against Franchisor, and Franchisee shall provide evidence of the waiver in accordance with this Section 13.1. Franchisee′s obligation to obtain and maintain insurance shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee′s performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 18.4. In addition to all other insurance required in this Section 13.2, Franchisee shall maintain Employment Practices Liability Insurance.

All public liability and property damage policies shall contain a provision that Franchisor and its Affiliates, although named as an additional insured, shall nevertheless be entitled to recover under the policies on any loss occasioned to Franchisor, or its Affiliates, partners, shareholders, directors, agents, or employees by reason of the negligence of Franchisee or its partners, shareholders, directors, agents, or employees. At least ten (10) days prior to the time any insurance is first required to be carried by Franchisee, and thereafter at least thirty (30) days prior to the expiration of any policy, Franchisee shall deliver to Franchisor Certificates of Insurance evidencing the proper types and minimum amounts of required coverage. All Certificates shall expressly provide that no less than thirty (30) days′

prior written notice shall be given Franchisor in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by the Certificates. Certificates evidencing the insurance required by this Section 13 shall name Franchisor, and each of its Affiliates, partners, shareholders, directors, agents, and employees as additional insureds on the additional- insured Grantor of Franchise Form CG-2029 or an insurer's comparable form, and shall expressly provide that any interest of each shall not be affected by any breach by Franchisee of any policy provisions for which the Certificates evidence coverage.

13.3 **Franchisor′s Right to Secure Insurance on Behalf of Franchisee**. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as the requirements may be specified by Franchisor in the Manuals or otherwise in writing, Franchisor shall have the right and authority (but not the obligation) to immediately procure the insurance and to charge the same to Franchisee, which charges, together with Franchisor′s expenses in so acting, shall be payable by Franchisee immediately upon notice. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

14. TRANSFER OF INTEREST

14.1 **Transfer by Franchisor**. Franchisor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal Entity without the consent or approval of Franchisee. With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor′s obligations under this Agreement, the assignee shall expressly assume and agree to perform the obligations, and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment. Franchisor and or its Affiliates may sell their assets, the Spitz Marks, or the Spitz System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring all without the consent or approval of Franchisee. In connection with any of the foregoing, at Franchisor's request, Franchisee shall deliver to Franchisor a statement in writing certifying (i) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement as modified is in full force and effect and identifying the modifications); (ii) that Franchisee is not in default under any provision of this Agreement, or if in default, describing the nature thereof in detail; and (iii) as to such other matters as Franchisor may reasonably request; and Franchisee agrees that any such statements may be relied upon by Franchisor and any prospective purchaser, assignee or lender of Franchisor.

14.2 **Assignment by Franchisee**. Franchisee acknowledges and agrees that the rights granted to Franchisee under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Franchisee and, if Franchisee is an Entity, that of the Owners. Accordingly, to protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Franchisee shall not offer, sell, or negotiate the sale of its rights under this Agreement to any third party, either in Franchisee's own name or in the name and/or on behalf of Franchisor, except as otherwise provided in this Agreement. Franchisee acknowledges and agrees that Franchisee has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly, (i) any interest in this Agreement; or (ii) the right to use the Spitz System or the Spitz Marks (an "**Assignment**") without Franchisor's prior written consent. Franchisor shall not unreasonably withhold its consent to an Assignment if, in Franchisor's judgment, Franchisee satisfies the conditions to the Assignment identified in this Agreement.

14.2.1 Unless the Parties otherwise agree in writing, Franchisee shall not make any Assignment of this Agreement except in conjunction with a concurrent Assignment to the same approved assignee of all Spitz Restaurants then owned and operated by Franchisee. As a condition to Franchisor's consent to an Assignment, the assignee must execute Franchisor's then-current form of Franchise Agreement for each Spitz Restaurant sold to the assignee. Further, without Franchisor's prior written consent, which may be withheld by Franchisor in its discretion, (i) Franchisee shall not offer for sale or transfer at public or private auction any of the rights of Franchisee under this Agreement; and (ii) Franchisee shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever. To the extent that the foregoing prohibition may be ineffective under Applicable Law, Franchisee shall provide not less than fourteen (14) days prior written notice (which notice shall contain the name and address of the secured party and the terms of the pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

14.2.2 For purposes of this Agreement, each of the following events is an Assignment subject to the conditions to transfer identified in this Agreement: (i) the death or incapacity of any Owner; (ii) the offer or sale of securities of Franchisee pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum; (iii) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than twenty percent (20%) in the aggregate, whether in one or more transactions, of the equity or voting power of Franchisee, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of Franchisee; (iv) the issuance of any securities by Franchisee which itself or in combination with any other transactions results in the Owners, as constituted on the Effective Date, owning less than fifty percent (50%) of the outstanding Equity or voting power of Franchisee; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Franchisee, however effected. Franchisee shall promptly provide Franchisor with written notice (stating the information that Franchisor may then require) of each and every transfer, assignment and encumbrance by any Owner of any direct or indirect equity or voting rights in Franchisee, notwithstanding that the same may not constitute an Assignment as defined in Section 14.2.

14.2.3 Neither Franchisor's right of first refusal nor the other conditions of Assignment shall apply to a transfer by Franchisee of all of Franchisee's rights under this Agreement to a newly-formed corporation, limited liability company or other business Entity provided all of the equity or voting interests of the new business Entity are owned by the same Owners (a "**Qualified Assignment**"). Any attempted Assignment which fails to comply with the requirements of this Article 14 shall be null and void and shall constitute a Default under this Agreement.

14.3 **Right of First Refusal**. Except with respect to a Qualified Assignment, if Franchisee or an Owner receive a bona fide written offer ("**Third Party Offer**") from a third party (the "**Proposed Buyer**") to purchase or otherwise acquire any interest in Franchisee which will result in an Assignment within the meaning of this Agreement, Franchisee or the Proposed Buyer shall, within fourteen (14) days after receiving the Third Party Offer and before accepting it, apply to Franchisor in writing for Franchisor's consent to the proposed Assignment. To constitute a bona fide written offer, the Third Party Offer must also apply to purchase or otherwise acquire all Spitz Restaurants then owned and operated by Franchisee, or its Affiliates.

14.3.1 Franchisee, or the Proposed Buyer, shall attach to its application for consent to complete the transfer a copy of the Third Party Offer together with (i) information relating to the proposed transferee's experience and qualifications; (ii) a copy of the proposed transferee's current financial statement; and (iii) any other information material to the Third Party Offer, proposed transferee and proposed Assignment or that Franchisor requests.

14.3.2 Franchisor or its nominee shall have the right, exercisable by written notice ("**Purchase Notice**") given to Franchisee or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Franchisee or the Proposed Buyer that it will purchase or acquire the rights, assets, equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Franchisor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer; and (ii) deduct from the purchase price the amount of all amounts then due and owing from Franchisee to Franchisor under this Agreement or otherwise.

14.3.3 If Franchisor or its nominee elects to purchase or acquire the rights, assets, equity or interests proposed to be assigned to the Proposed Buyer, the closing shall take place no later than sixty (60) days following the date that the Purchase Notice was issued by Franchisor.

14.3.4 If Franchisor does not elect to purchase or acquire the rights, assets, equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Franchisee. If there is any material change in the terms of the Third Party Offer before the closing of the sale, Franchisor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 14.3.

14.4 **Conditions of Assignment to Third Party**. As a condition to obtaining Franchisor's consent to an Assignment, all of the following conditions must be satisfied:

14.4.1 The Proposed Buyer must submit a completed franchise application to Franchisor and meet Franchisor's Then-Current qualifications for new Spitz Franchisees, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation.

14.4.2 Franchisee must be in Good Standing on the date consent is requested and until the date of closing of the Assignment.

14.4.3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Franchisor, the Proposed Buyer will be unlikely to meet the Proposed Buyer's financial and other obligations to Franchisor, third party suppliers and creditors following the closing. Franchisor shall have no liability to either Franchisee or the Proposed Buyer if Franchisor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties.

14.4.4 The Proposed Buyer must sign Franchisor's Then-Current form of Franchise Agreement, the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects, except that the term of replacement Franchise Agreement shall be the remaining term of this Agreement. In exchange for signing the Then-Current Franchise Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement. If the Proposed Buyer is an Entity, each owner and each owner's spouse of the Proposed Buyer shall jointly and severally guarantee the Proposed Buyer's performance of its obligations in the Then-Current Franchise Agreement under a Guarantee in the form of Exhibit C. If Franchisor is not offering new Spitz franchises, is in the process of revising, amending or renewing Franchisor's form of Franchise Agreement or franchise disclosure document or is not lawfully able to offer Franchisor's Then-Current form of Franchise Agreement at the time of an Assignment, Franchisor may offer to amend this Agreement, upon terms and conditions that will be established by Franchisor and the Proposed Buyer at that time, or may offer to amend the Term on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as Franchisor deems necessary or appropriate so that Franchisor may subsequently offer and utilize a Then- Current form of Franchise Agreement.

14.4.5 Franchisee will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature, survive the transfer, termination or expiration of this Agreement, including, without limitation, the provisions prohibiting competition, non-interference and non- disclosure of Confidential Information.

14.4.6 Franchisee and the Proposed Buyer shall execute a General Release of all known and unknown liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, that they have, may have or believe to have against Franchisor and its Affiliates and their officers, directors, agents, shareholders and employees as of the date of the general release, in a form acceptable to Franchisor.

14.4.7 Franchisee shall pay Franchisor the sum of $7,500 as a transfer fee to apply against Franchisor's administrative and other costs to process the Assignment.

14.4.8 Franchisee must simultaneously transfer its rights all contracts for which continuation is necessary for operation of the Spitz Restaurant to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the transfer of Franchisee's rights to the Proposed Buyer. The Proposed Buyer must execute all other documents and agreements required by Franchisor to consummate the Assignment. All required third party consents to the Assignment must be obtained.

14.4.9 Franchisee's right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Franchisor and its Affiliates under, or pursuant to, this Agreement or any other agreement. All contracts by and between Franchisee and the Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Franchisee only after any outstanding obligations owed to Franchisor and its Affiliates are fully satisfied.

14.4.10 Except when the transferee is an existing Franchisee or franchisee of Franchisor, the Proposed Buyer, and a supervisorial or managerial employee of the Proposed Buyer who will have general

management and supervisory responsibilities for the Spitz Restaurant who is acceptable to Franchisor, must complete to Franchisor's sole satisfaction Franchisor's Initial Training Program prior to the effective date of the Assignment.

14.4.11 The Proposed Buyer must conform the Spitz Restaurant with Franchisor's then-current appearance and design standards and equipment specifications applicable to new Spitz Restaurants.

14.4.12 Franchisee, as transferor, shall execute a continuing guarantee in favor of Franchisor of the performance and payment by Proposed Buyer, as transferee, of all obligations and debts to Franchisor and its affiliates under the new Franchise Agreement.

14.5 **Death or Incapacity**. In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated Owner, or the remaining Owners (the "**Successor**") shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated Owner; or (ii) complete an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party, subject to the provisions of this Article 14. If a Successor has not purchased the interest of the deceased or incapacitated Owner or completed an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party within one hundred eighty (180) days from the date of death or incapacity, Franchisor may terminate this Agreement. [see addendums attached]

14.6 **Transfer by Franchisee in Bankruptcy**. If, for any reason, this Agreement is not terminated pursuant to Section 16.1 and this Agreement is assumed, or Assignment of the same to any person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption, setting forth (a) the name and address of the proposed assignee; and (b) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Franchisor within twenty (20) days after receipt of the proposed assignee′s offer to accept Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption, and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Franchisee out of the consideration to be paid by the assignee for the Assignment of this Agreement.

14.7 **Restriction on Private Securities**. Securities, partnership or other ownership interests in Franchisee may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended, or any comparable federal, state or foreign law, rule or regulation. Such interests may be offered by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld. All materials required for any private offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to Franchisor for review prior to use. No offering by Franchisee shall imply that Franchisor is participating in an underwriting, issuance or offering of securities of Franchisee or Franchisor, and Franchisor's review of any offering materials shall be limited solely to the subject of the relationship between Franchisee and Franchisor, and its Affiliates. Franchisor may, at its option, require Franchisee's offering materials to contain a written statement prescribed by Franchisor concerning the limitations described in the preceding sentence. Franchisee, its Owners and other participants in the offering must fully agree in writing to defend and indemnify Franchisor, its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any documentation required by Franchisor to further evidence this indemnity. For each proposed offering, Franchisee shall pay to Franchisor a non- refundable fee of $10,000, which shall be in addition to any Transfer Fee under any Franchise Agreement and/or Development Agreement or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation, legal and accounting fees. Franchisee shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Article.

15. **COVENANTS**

15.1 **No Prior Experience, Information or Knowledge**. Franchisee specifically acknowledges and agrees that prior to becoming a franchisee of Franchisor, Franchisee had no experience, information or knowledge whatsoever about an upscale quick-service Mediterranean style restaurant or an Spitz Restaurant and that Franchisee's knowledge of the Confidential Information was obtained solely from Franchisor, following Franchisee's training by Franchisor and Franchisee's subsequent operation of the Spitz Restaurant under this Agreement. In addition, Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and Confidential Information, including, without limitation, Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Spitz System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy.

15.2 **Non-Competition During Term of Agreement**. Franchisee and each Owner covenants that during the Term, except as otherwise approved in writing by Franchisor, Franchisee and each Owner shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, or legal Entity (i) divert or attempt to divert any present or prospective Spitz customer to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Spitz Marks and the Spitz System, or (ii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business, provided, however, the restrictions stated in this Section 15.2 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee.

15.3 **Non-Competition After Expiration or Termination of Agreement**. Except as Franchisor otherwise approves in writing, commencing upon the date of (i) an Assignment permitted under Article 14 of this Agreement; (ii) the Expiration Date of this Agreement; (iii) the termination of this Agreement (regardless of the cause for termination); or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 15.3, and continuing for an uninterrupted period of two (2) years thereafter, Franchisee and each Owner shall not, own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business located at the Franchised Location or within a twenty (20) mile radius of any Spitz Restaurant or the Franchised Location; provided, however, the restrictions stated in this Section 15.3 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee in the Development Area.

15.4 **Violation of Covenants**. If Franchisee or any Restricted Person shall commit any violation of Section 15.3 during the two (2) year period following (i) the expiration or termination of this Agreement; (ii) the occurrence of any Assignment during the Term; (iii) the cession of the Restricted Person's relationship with Franchisee; or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15.3, in addition to all other remedies available to Franchisor, Franchisee or the Restricted Person shall pay Franchisor, throughout the twenty-four (24) month period, six percent (6%) of the revenue derived from the operation of the Competitive Business, including the sale of any merchandise, other products and services at or from the Competitive Business, and all other income of every kind and nature of the Competitive Business ("**Post Termination Gross Revenue**") in violation of Section 15.3. Franchisee shall account for and pay six percent (6%) of the Post Termination Gross Revenue to Franchisor on the fifteenth day of each month on the Post Termination Gross Revenue of the Competitive Business during the previous month. Franchisor shall have the right to audit the books and records of the competing business in accordance with Section 12.3 of this Agreement to confirm Franchisee's compliance with this Section 15.4, upon prior notice to Franchisee.

15.5 **Exceptions to Covenants**. Sections 15.2 and 15.3 shall not apply to ownership by Franchisee or an Owner of a less than five percent (5%) beneficial interest in the outstanding equity securities of any Competitive Business registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

15.6 **Reducing Scope of Covenants**. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 15.3, or any portion

thereof, without Franchisee′s consent, effective immediately upon receipt by Franchisee of written notice thereof; and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

15.7 **Reasonable Good Faith Estimate**. Franchisor and Franchisee acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages and expenses Franchisor will incur if Franchisee or any Restricted Person shall commit any violation of Section 15.3 during the two (2) year period following (i) the expiration or termination of this Agreement; (ii) the occurrence of any Assignment during the Term; (iii) the cession of the Restricted Person's relationship with Franchisee, or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15.3 due to the complications inherent in determining the amount of revenue lost by Franchisor because of the uncertainty regarding the number of months left to complete the then-current Term, the uncertainty regarding the Gross Revenue of the Spitz Restaurant during the remainder of the then-current Term, the amount of Royalty Fees Franchisee would have paid Franchisor based upon the Gross Revenue of the Spitz Restaurant and the like as well as the amount of the fees that Franchisor will collect from Franchisee upon the occurrence of the circumstances described in Section 15.3. Franchisor and Franchisee further acknowledge and agree that the six percent (6%) fee of Post Termination Gross Revenue is a reasonable, good faith estimate of those damages.

15.8 **Covenants from Individuals**. Franchisee shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Article 15 (including covenants applicable upon the termination of a person′s relationship with Franchisee) from all Owners. Every covenant required by this Section 15.8 shall be in a form acceptable to Franchisor, and shall include, without limitation, a designation of Franchisor as a third party beneficiary of the covenants with the independent right to enforce them.

15.9 **Effect of Applicable Law**. In the event any portion of the covenants in this Article 15 violates laws affecting Franchisee, or is held invalid or unenforceable in a final judgment to which Franchisor and Franchisee are parties, then the maximum legally allowable restriction permitted by Applicable Law shall control and bind Franchisee. Franchisor may at any time unilaterally reduce the scope of any part of the above covenants, and Franchisee shall comply with any reduced covenant upon receipt of written notice. The provisions of this Article 15 shall be in addition to and not in lieu of any other confidentiality obligation of Franchisee, or any other person, whether pursuant to another agreement or pursuant to Applicable Law.

15.10 **Business Practices**. Franchisee shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war (the "**Anti-Terrorism Laws**"). In connection with its compliance, Franchisee certifies, represents and warrants that none of Franchisee's property or interests are subject to being "**blocked**" under any of the Anti-Terrorism Laws and that Franchisee is not otherwise in violation of any of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's employees or any "**blocking**" of Franchisee's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Franchisee has entered into with Franchisor or any of its Affiliates, in accordance with the provisions of Section 16.2.

15.11 **Survival**. The provisions of this Article 15 shall survive the expiration and termination of this Agreement and shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or the Spitz Marks, the Spitz System, the Confidential Information, the Trade Secrets, or any other proprietary aspects of Franchisor's business.

16. DEFAULT AND TERMINATION

16.1 **Termination In the Event of Franchisee′s Bankruptcy or Insolvency**. Franchisee shall be deemed to be in Default under this Agreement, and all rights granted to Franchisee of this Agreement shall automatically terminate without notice to Franchisee, (i) if Franchisee or its Owner becomes insolvent or makes a general assignment for the benefit of creditors; (ii) if a petition in bankruptcy is filed under any foreign, state or United States Bankruptcy Act by Franchisee or its Owner or if a petition is filed against and not opposed by Franchisee; (iii) if Franchisee or its Owner is adjudicated as bankrupt or insolvent; (iv) if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or its Owner or other custodian for the Spitz Restaurant is filed and consented to by Franchisee or its Owner; (v) if a receiver or other custodian (permanent or temporary) of Franchisee′s or its

Owner's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; (vi) if proceedings for a composition with creditors under any Applicable Law is instituted by or against Franchisee or its Owner; (vii) if a final judgment in excess of $100,000 against the Spitz Restaurant remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); (viii) if Franchisee or its Owner admits Franchisee or its Owner is unable to generally pay Franchisee's or its Owner's debts as they become due; (ix) if execution is levied against the Spitz Restaurant or property; (x) if suit to foreclose any lien or mortgage against the Spitz Restaurant, the Franchised Location or the equipment of the Spitz Restaurant is instituted against Franchisee or its Owner and not dismissed within thirty (30) days; or (xi) if the Spitz Restaurant or the Franchised Location shall be sold after levy thereupon by any sheriff, marshal, or constable.

16.2 **Option to Terminate Without Opportunity to Cure**. Franchisee shall be deemed to be in Default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the Default, effective immediately upon receipt of notice by Franchisor upon the occurrence of any of the following events:

16.2.1 If Franchisee shall Abandon the Spitz Restaurant.

16.2.2 If Franchisee shall make any Assignment without the prior written consent of Franchisor.

16.2.3 If Franchisee shall Default in any obligation as to which Franchisee has previously received three (3) or more written notices of Default from Franchisor setting forth the Default complained of within the preceding twelve (12) months.

16.2.4 If Franchisee makes any material misrepresentations in connection with the execution of this Agreement or the operations of the Spitz Restaurant.

16.2.5 If Franchisee fails, for a period of ten (10) days after having received notification of noncompliance from Franchisor or any Governmental Authority, to comply with any Federal, state or local law or regulation applicable to the operation of the Spitz Restaurant.

16.2.6 If Franchisee's operation of the Spitz Restaurant constitutes an imminent danger to the public health or if Franchisee sells unauthorized products to the public after Notice of Default and thereafter sells the products, whether or not Franchisee has cured the Default after one or more notices.

16.2.7 If an audit or investigation conducted by Franchisor discloses that Franchisee has knowingly maintained false books or records, or submitted false reports to Franchisor, or knowingly understated its Gross Revenue or withheld the reporting of the same as provided in this Agreement.

16.2.8 If Franchisee or any of its Owners, are convicted of or plead guilty or nolo contendere to a felony or any other crime or offense that is reasonably likely, in the sole opinion of Franchisor, to adversely affect Franchisor's reputation, the Spitz System, the Spitz Marks or the goodwill associated with the same; however, if the crime or offense is committed by an Owner other than the Operating Partner, Franchisor may only terminate this Agreement under this Section 16.2.8 if the convicted Owner fails to sell its interest in Franchisee to Franchisee's other Owners within thirty (30) days after the conviction or guilty plea.

16.2.9 If Franchisee materially misuses or makes any unauthorized use of the Spitz Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein, or takes any action which reflects materially and unfavorably upon the operation and reputation of the Spitz Restaurant or the Spitz chain generally.

16.2.10 If Franchisee makes any unauthorized use, disclosure, or duplication of the Trade Secrets or Confidential Information.

16.2.11 If Franchisee fails to purchase and maintain in inventory the types and quantities of Spitz Branded Products, Spitz Proprietary Products or Non-Proprietary Products necessary to meet reasonably anticipated consumer demand.

16.2.12 If Franchisee shall purchase Spitz Branded Products or Spitz Proprietary Products or Non-Proprietary Products from other than an Approved Supplier and fails to cease use of the non-complying product within three (3) days after having received notification from Franchisor to do so.

16.2.13 If Franchisee shall Default in any obligation under this Agreement that by its nature is not capable of being cured by Franchisee.

16.2.14 If Franchisee fails to meet the site selection requirements, enter a Lease or Open the Spitz Restaurant within the applicable time periods provided for in this Agreement.

16.2.15 If funding promised or otherwise represented to be made available to Franchisee or its Owners on the condition that Franchisee sign this Agreement is not made available to Franchisee or its Owners within ten (10) business days after Franchisee signs this Agreement.

16.2.16 If, in Franchisor's Business Judgment, Franchisor has grounds to believe that Franchisee or any of its Owners, officers, directors, or key employees has engaged or attempted to engage, through one or more affirmative acts or a failure to act, in any fraudulent, dishonest, unethical, immoral, or similar conduct in connection with the Spitz Restaurant's operation, whether such conduct is directed at or reasonably expected to impact the Spitz Restaurant, the System, the Franchisor or its Affiliates, suppliers, other franchisees, or another third party.

16.2.17 If, in Franchisor's Business Judgment, Franchisor has grounds to believe that Franchisee or any of its Owners, officers, or directors has engaged in any lewd or immoral conduct, whether or not in connection with the Spitz Restaurant's operation.

16.3 **Termination With Notice and Opportunity To Cure**. Except for any Default by Franchisee under Sections 16.1 or 16.2, and as expressly provided elsewhere in this Agreement, Franchisee shall have five (5) days, in the case of any monetary Default and ten (10) days in the case of any other type of Default, following the receipt of a notice of default (a "**Notice of Default**") demanding the cure of the Default and to provide evidence of the cure to Franchisor. If any Default is not cured within that time period, or any longer time period that Applicable Law may require or that Franchisor may specify in the Notice of Default, this Agreement and all rights granted in this Agreement shall automatically terminate without further notice or opportunity to cure.

16.4 **Reimbursement of Franchisor Costs**. Upon a Default by Franchisee, all of Franchisor's costs and expenses arising from the Default, including reasonable attorneys' fees, shall be paid to Franchisor within five (5) days after cure or upon demand by Franchisor if the Default is not cured.

16.5 **Cross-Default**. Any Default by Franchisee under the terms and conditions of this Agreement, any Area Development Agreement, or any other agreement between Franchisor, or its Affiliates, and Franchisee, or its Owners or Affiliates, shall be deemed to be a Default of each and every other agreement. In the event of termination, for any cause, of this Agreement or any other agreement between the Parties, Franchisor may, at its option, terminate any or all of the agreements.

16.6 **Notice Required By Law**. Notwithstanding anything to the contrary contained in this Article 16, if any valid Applicable Law of a competent Governmental Authority having jurisdiction over this Agreement and the Parties shall limit Franchisor's rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by that Applicable Law. Franchisor shall not, however, be precluded from contesting the validity, enforceability or application of Applicable Laws in any action, hearing or dispute relating to this Agreement or the termination of this Agreement.

16.7 **Delay by Force Majeure**. Franchisee shall provide Franchisor, within ten (10) days after the occurrence of an event that Franchisee believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Franchisee′s performance under this Agreement. The determination of whether an event of Force Majeure has occurred shall be made by Franchisor upon Franchisor's assessment of the event causing the delay. Franchisee shall provide Franchisor with continuing updates and all information requested by Franchisor regarding Franchisee′s progress and diligence in responding to and

overcoming the event of Force Majeure. An event of Force Majeure will not affect or change Franchisee's obligation to pay Royalty Fees, Marketing Fund Fees or any other fees owed to Franchisor when due during the event of Force Majeure.

16.8 **Termination by Franchisee**. Franchisee may terminate this Agreement due to a material default by Franchisor of its obligations hereunder, which default is not cured by Franchisor within sixty (60) days after Franchisor's receipt of prompt written notice by Franchisee to Franchisor detailing the alleged default with specificity; provided, that if the default is such that it cannot be reasonably cured within such sixty (60) day period, Franchisor shall not be deemed in default for so long as it commences to cure such default within sixty (60) days and diligently continues to prosecute such cure to completion. If Franchisee terminates this Agreement pursuant to this Section, Franchisee shall comply with all of the terms and conditions of Article 17.

17. OBLIGATIONS FOLLOWING TERMINATION OR EXPIRATION

17.1 **General**. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated, with the same, upon the expiration or termination of Franchisee's rights granted under this Agreement, Franchisee shall immediately cease to use all Trade Secrets, Confidential Information, the Spitz Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia. Franchisee shall at its own cost immediately return the Manuals and all written materials incorporating Trade Secrets and all copies of any of the same to Franchisor. Franchisee shall at its own cost make cosmetic changes to the Spitz Restaurant and the Franchised Location so that they no longer contain or resemble Franchisor's proprietary designs and shall remove all Spitz identifying materials and distinctive Spitz cosmetic features and finishes, soffits, interior wall coverings and colors, exterior finishes and colors and signage from the Franchised Location that Franchisor may reasonably direct.

17.2 **Prior Payments**. Franchisor may retain all fees paid to Franchisor pursuant to this Agreement, and Franchisee shall immediately pay any and all amounts remaining due to Franchisor and its Affiliates. If this Agreement terminates due to a Default by Franchisee, the amounts to be paid by Franchisee shall include all damages, and costs, and expenses, including reasonable attorneys′ fees, incurred by Franchisor as a result of the Default, which obligation shall remain, until paid in full, a lien in favor of Franchisor against assets of the Spitz Restaurant. Franchisee hereby appoints Franchisor as its attorney in fact, with full power and authority to execute on Franchisee′s behalf all documents necessary to obtain and perfect this lien.

17.3 **Termination of Obligations and Rights**. Following the termination or expiration of this Agreement, any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate. Likewise, any and all rights of Franchisee under this Agreement shall immediately cease and terminate and Franchisee shall immediately cease and thereafter refrain from representing itself as a then or former Franchisee or other Affiliate of Franchisor.

17.4 **Electronic Communications and Media**. The goodwill associated with all telephone and fax numbers, email addresses, domain names, Websites or web pages, social media and other Internet addresses used in operation of the Spitz Restaurant ("**Electronic Communications and Media**") is an asset that belongs to Franchisor. Franchisor shall have the option, exercisable by written notice within thirty (30) days after the cancellation, termination or expiration of this Agreement, to take an assignment of all Electronic Communications and Media for the Spitz Restaurant. If Franchisor exercises this option, Franchisee will be deemed to have assigned to Franchisor or Franchisor's designee all right, title and interest in and to these and/or services associated with the same. Franchisee shall notify the telephone company, domain name registrars and all listing agencies of the cancellation, termination or expiration of Franchisee's right to use the Electronic Communications and Media associated with the Spitz Restaurant, and shall authorize their transfer to Franchisor. Franchisee appoints Franchisor as it true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as may be necessary to effect an assignment of all Electronic Communications and Media for the Spitz Restaurant. This power of attorney is coupled with an interest and shall survive the cancellation, termination or expiration of this Agreement. Franchisee, by executing this Agreement, authorizes Franchisor and hereby appoints Franchisor and all of Franchisor's officers as Franchisee's attorney-in-fact to direct the telephone, company, domain name registrars and all listing agencies to transfer the same to Franchisor, should Franchisee fail or refuse to do so. The telephone, company, domain name registrars, and all listing agencies may accept this Agreement as conclusive evidence of Franchisor's exclusive rights to the Electronic Communications and Media and Franchisor's authority to direct their transfer. Franchisee must sign

the instruments Franchisor requests to confirm the assignments and transfers to Franchisor. Franchisee shall not be entitled to any compensation from Franchisor if Franchisor exercises this option.

17.5 **Purchase Spitz Restaurant Assets**. Upon the expiration of this Agreement or the termination of this Agreement for any Default of Franchisee, Franchisor shall have the option, to be exercised by written notice to Franchisee within thirty (30) days after the Expiration Date or termination date, to purchase the assets of the Spitz Restaurant, regardless of whether the Spitz Restaurant is under construction or is Open and operating, and all of assets of Franchisee related to the Spitz Restaurant that Franchisor elects to purchase (collectively, the "**Spitz Restaurant Assets**"). The purchase price for the Spitz Restaurant Assets (the "**Purchase Price**") shall be the ″Fair Market Value″ of the Spitz Restaurant Assets as determined under this Section 17.5. ″Fair Market Value″ means the price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable knowledge of the relevant facts on the date the option is first exercisable (the ″Exercise Date″). Franchisor and Franchisee shall use their best efforts to mutually agree upon the Fair Market Value. If they are unable to so agree within thirty (30) days after the Exercise Date, Franchisor shall appoint, within forty (40) days of the Exercise Date, one (1) appraiser, and Franchisee shall appoint within forty (40) days of the Exercise Date, one (1) appraiser. The two (2) appraisers shall within a period of five (5) additional days, agree upon and appoint an additional appraiser. The three (3) appraisers shall, within sixty (60) days after the appointment of the third appraiser, determine the Purchase Price in writing and submit their report to Franchisor and Franchisee. The Purchase Price shall be determined by disregarding the appraiser′s valuation that diverges the greatest from each of the other two (2) appraisers′ valuations, and the arithmetic mean of the remaining two (2) appraisers′ valuations shall be the Purchase Price. Franchisor and Franchisee shall each pay for the services of the appraiser they select, plus one half (1/2) of the fee charged by the third appraiser, and one half (1/2) of all other costs relating to the determination of the Purchase Price. The Purchase Price as so determined shall be payable as Franchisor and Franchisee mutually agree. If they are unable to so agree within ten (10) days after final determination of the Purchase Price, fifty percent (50%) of the Purchase Price shall be payable in cash and the remaining fifty percent (50%) of the Purchase Price shall be paid in eighty-four (84) equal monthly payments and shall bear interest at a rate equal to the greater of the prime rate of interest, as published by the Western Edition of the Wall Street Journal, plus three percent (3%), OR ten percent (10%) per annum, but in no event in excess of the maximum rate permitted by Applicable Law. Payment of the portion of the Purchase Price not paid in cash shall be secured by a security interest in the Spitz Restaurant Assets. Any purchase of the Spitz Restaurant Assets shall include the assumption by Franchisor and the assignment by Franchisee, of the Lease for the Spitz Restaurant.

17.6 **Survival of Obligations**. Termination or expiration of this Agreement shall be without prejudice to any other rights or remedies that Franchisor or Franchisee, as the case may be, shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which by their nature or expressly constitute post-termination or post-expiration covenants and agreements shall survive the termination or expiration of this Agreement.

17.7 **No Ownership of Spitz Marks**. Franchisee acknowledges and agrees that the rights to the Spitz Marks and the use of the Spitz Marks shall be and remain the property of Franchisor. Franchisee acknowledges and agrees that any use of the Spitz Marks after the termination or expiration of this Agreement shall constitute an unauthorized use of an identical mark and shall entitle Franchisor to damages due to, but not limited to, trademark infringement and counterfeiting.

17.8 **Government Filings**. If Franchisee has registered any of the Spitz Marks or the name Spitz as part of an assumed, fictitious or corporate name, Franchisee shall promptly amend those registrations to delete the Spitz Marks and any confusingly similar marks or names.

17.9 **Security Interest**. Franchisee acknowledges and agrees that in addition to any other rights and remedies to which Franchisor and its Affiliates may be entitled, Franchisor and its Affiliates may enforce any rights and remedies of a secured party under the UCC as enacted in the state where the Franchised Location is located, pursuant to the security interest granted in Section 4.6, including, without limitation, the right to enter the Franchised Location to remove and repossess any products or goods in which Franchisor or its Affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases Franchisor and its Affiliates from any and all claims in connection therewith and arising therefrom. At the request of Franchisor or its Affiliates following the event of a Default, Franchisee shall assemble and make available to Franchisor and its Affiliates all

products and goods in which Franchisor or its Affiliates have been granted a security interest at a place to be designated by Franchisor or its Affiliates which is reasonably convenient to both Parties.

18. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

18.1 **No Fiduciary Relationship**. This Agreement does not create a fiduciary relationship between the Parties. Franchisee shall be an independent contractor, and nothing in this Agreement is intended to constitute or appoint either Party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

18.2 **Public Notice of Independent Status**. Franchisee shall conspicuously identify itself in all dealings with its customers, contractors, suppliers, public officials, and others, as an independent Franchisee of Franchisor, and shall place the notice of independent ownership on all forms. Franchisor shall have the right to specify the language of any notice.

18.3 **Independent Contractor**. Franchisee acknowledges and agrees that it is not authorized to make any contract, agreement, warranty, or representation on Franchisor′s behalf, or to incur any debt or other obligations in Franchisor′s name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any action, nor shall Franchisor be liable by reason of any act or omission of Franchisee in its conduct of the Spitz Restaurant or for any claim or judgment arising therefrom against Franchisee or Franchisor.

18.4 **Indemnification**. Franchisee and its Owners and Affiliates (collectively, the "**Indemnitors**") shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor and its Constituents (collectively, the "**Indemnitees**"), from any and all "**Losses and Expenses**" incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, and regardless of whether the same is between Indemnitors and Indemnities (collectively, an "**Indemnifiable Claim**") which arises directly or indirectly from, as a result of, or in connection with Franchisee′s operation of the Spitz Restaurant and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Franchisee; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Franchisor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 18.4 shall extend to any finding of comparative negligence or contributory negligence attributable to Franchisee). For the purpose of this Section 18.4, the term "**Losses and Expenses**" shall mean and include compensatory, exemplary, or punitive damages, fines and penalties, attorneys′ fees, experts′ fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party's reputation and goodwill, and all other costs associated with any of the foregoing Losses and Expenses.

18.4.1 The Indemnitees shall give the Indemnitors prompt notice of any Indemnifiable Claim of which the Indemnitees are aware for which indemnification is required under this Section 18.4 The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a "**Third Party Claim**") or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known. If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees' failure to give such notice on a timely basis.

18.4.2 With respect to Third Party Claims, the Indemnitors shall have the right, at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice. The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors' receipt of notice of a Third Party Claim. If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors' sole expense. The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees' behalf, at the Indemnitees' sole expense, unless the Indemnitors consents to the retention of the Indemnitees' counsel at the Indemnitors' expense or unless the Indemnitors and the Indemnitees are both named in

any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses).

18.4.3 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim. If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnitees may make such payment and the Indemnitors shall, within thirty (30) days after demand by the Indemnitees, reimburse the Indemnitees for the amount of the payment. If the Indemnitees' liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors.

18.4.4 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent, settle or pay the amount claimed. Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which consent shall not be unreasonably withheld or delayed. The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they become available).

18.4.5 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request. If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim. If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in Article 19.

18.4.6 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses.

19. DISPUTE RESOLUTION

19.1 **Judicial Relief**. The Parties agree that all disputes arising out of or relating to this Agreement or the franchise relationship shall be brought in the state or federal courts located in Salt Lake City, Utah, or the United States District Court for the District of Utah. The Parties submit to the personal jurisdiction of such courts and waive any objection to venue in such courts for such actions. To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action against each other of any kind except in these Courts. This Agreement shall be interpreted and construed under the laws of Delaware without regard to the application of Delaware conflict of law rules. Notwithstanding the foregoing, if a third party files an action against the Parties in a different court, the Parties may assert cross claims, counterclaims and defenses in such third party action as may be necessary without regard to the exclusive jurisdiction and venue selection in this Section.

19.2 **Waivers**. The Parties agree, to the extent permitted by Applicable Law, that any legal action of any kind by either Party arising out of or relating to this Agreement or its breach must be commenced by no later than the last to occur of the following: (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability; or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability. Franchisor and Franchisee, for themselves, and for and on behalf of the Owners hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, Franchisor

and Franchisee shall each be limited to recovering only the actual damages proven to have been sustained by that Party, except as provided in Section 19.4.

19.3 **Specific Performance**. Franchisor and Franchisee acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced, and for this reason, Franchisor and Franchisee agree that the provisions of this Agreement shall be specifically enforceable. Franchisor and Franchisee further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Franchisor or Franchisee might otherwise have.

19.4 **Exclusive Remedy**. In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld, conditioned or delayed any consent, approval or authorization required under this Agreement. Each Party waives any claim for damages. Neither Party may claim any damages by way of setoff, counterclaim or defense. Each Party's sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment.

19.5 **Attorneys' Fees**. In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of, or in connection with, this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys' fees and costs in addition to any other relief that may be awarded by a court of competent jurisdiction.

19.6 **JURY TRIAL WAIVER. THE PARTIES WAIVE THE RIGHT TO A JURY TRIAL IN ANY ACTION RELATED TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE FRANCHISOR, THE FRANCHISEE, ANY GUARANTOR, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS.**

20. NOTICES

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail. Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid. Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party:

Notices to Franchisor: **RADWICK FRANCHISING, LLC**
12300 S. 62 E
Draper, Utah 84020
Attention: President
Email: brycerademan@spitzrestaurant.com

Notices to Franchisee: See Exhibit A.

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party.

21. ACKNOWLEDGMENTS

21.1 **Waiver and Delay**. No waiver by Franchisor of any Default, or series of Defaults in performance by Franchisee, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it hereunder or under any agreement between Franchisor and Franchisee, whether entered into before, after or contemporaneously with the execution of this Agreement, or to insist upon strict compliance with or performance of Franchisee's obligations under this Agreement or any Franchise Agreement or other agreement between Franchisor and Franchisee, whether entered into before, after or contemporaneously with the execution of this Agreement, shall

constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

21.2 **Survival of Covenants**. The covenants contained in this Agreement which, by their nature or terms, require performance by the Parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

21.3 **Successors and Assigns**. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Franchisee and his or their respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained in this Agreement.

21.4 **Joint and Several Liability**. If Franchisee consists of more than one Owner, the obligations and liabilities of each person or Entity to Franchisor are joint and several.

21.5 **Entire Agreement**. This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement. No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Agreement and Franchisee agrees that it has executed this Agreement without reliance upon any representation or promise not included in this Agreement. This Agreement cannot be modified or changed except by written instrument signed by both of the Parties. Notwithstanding the foregoing, nothing in this Agreement or any related agreement is intended to disclaim the representations Franchisor made to Franchisee in the Franchise Disclosure Document.

21.6 **Titles and Recitals**. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement. The Recitals set forth in Recitals A through C of this Agreement are true and correct and are hereby incorporated by reference into the body of this Agreement.

21.7 **Gender and Construction**. The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require. As used in this Agreement, the words "**include,**" "**includes**" or "**including**" are used in a non-exclusive sense. Unless otherwise expressly provided in this Agreement to the contrary, any consent, approval, acceptance or authorization of Franchisor or Franchisee that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval, acceptance or authorization has been requested. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated, with the same, on any occasion where Franchisor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Franchisor's standards or satisfaction, Franchisor may do so in its sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties. Franchisor and Franchisee intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

21.8 **Severability; Modification**. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail, but in that event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise

unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

21.9 **Counterparts and Electronic Transmission; Electronic Signatures**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits.

21.10 **Intent to Comply**. Franchisee, and its Owners, jointly and severally acknowledge that they have carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution of this Agreement, that they have obtained the advice of counsel in connection with entering into this Agreement, that they understand the nature of this Agreement, and that they intend to comply with the terms of this Agreement and be bound by the terms of this Agreement. Franchisor expressly disclaims making, and Franchisee acknowledges that it or they have not received or relied on any warranty or guarantee, express or implied, as to the potential volume, profits, expenses, or success of the business venture contemplated by this Agreement.

21.11 **Independent Investigation**. Franchisee acknowledges that Franchisee has conducted an independent investigation of the business franchised hereunder, recognizes that the business venture contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of Franchisee and if an Entity, its Owners, as independent businesspersons. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

21.12 **Business Judgment**. Notwithstanding any provision in this Agreement to the contrary, Franchisee and the Owners acknowledge and agree that:

21.12.1 This Agreement (and the relationship of the Parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions or refrain from taking actions not inconsistent with the explicit rights and obligations of Franchisee and the Owners hereunder that may affect Franchisee and the Owners' interests favorably or adversely. Franchisor shall use its Business Judgment in exercising such discretion based on its assessment of its own interests and balancing those interests against the interests, promotion, and benefit of the Spitz System and other Spitz franchisees, Spitz Restaurants generally, and specifically without considering the individual interests of Franchisee or the Owners or the individual interests of any other Spitz franchisee. Franchisee and the Owners acknowledge and agree that Franchisor shall have no liability to Franchisee or the Owners for the exercise of its discretion in this manner; and even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification, no trier of fact in any legal action shall substitute his or her judgment for Franchisor's judgment so exercised and no such action or decision shall be subject to challenge for abuse of discretion. If Franchisor takes any action or Franchisor chooses not to take any action in its discretion with regard to any matter related to this Agreement and its actions or inaction are challenged for any reason, the Parties expressly direct the trier of fact to find that Franchisor's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of its discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

21.12.2 In granting its approval of the Franchised Location, designating suppliers, setting standards and the like, Franchisor shall exercise its Business Judgment. However, in the exercise of its Business Judgment, Franchisor shall not be liable to Franchisee or the Owners or anyone else, if Franchisor's exercise of its Business Judgment results in a business loss or if the products or services provided fail to meet the expectations of Franchisor, Franchisee, the Owners or other parties. Franchisor disclaims all warranties and liability for the acts or omissions of any contractors, vendors, suppliers, products or employees which Franchisee uses, purchases, retains or hires pursuant to Franchisor's exercise of its Business Judgment.

21.13 **Atypical Terms**. Franchisee acknowledges and agrees that Franchisor may modify the offer of its franchises to other Spitz Franchisees in any manner and at any time, which offers have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement. Franchisee further acknowledges and agrees that Franchisor has made no warranty or representation that all Spitz Franchise Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Franchise Agreements previously executed or executed after the date of this Agreement with other Spitz Franchisees in a non-uniform manner.

21.14 **General Terms**. Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor. Franchisee has read this Agreement and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Franchisor's standards of service and quality and the uniformity of those standards at all Spitz Restaurants in order to protect and preserve the Spitz System and the goodwill of the Spitz Marks. Franchisee has conducted an independent investigation of the business contemplated by this Agreement. Franchisee recognizes that the Spitz System may evolve and change over time, that an investment in this franchise involves business risks, and that the success of the investment depends upon Franchisee's business ability and efforts. The Parties acknowledge and agree that each Party has been represented by independent legal counsel their choice in connection with this Agreement or has had the opportunity to have legal counsel review this Agreement and advise the Party regarding the same, but has voluntarily chosen not to do so. Franchisee has not received or relied upon any promise or guarantee, express or implied, about the revenues, profits or success of the business venture contemplated by this Agreement. No representations have been made by Franchisor or its Affiliates or their respective officers, directors, shareholders, employees or agents that are contrary to the terms contained in this Agreement.

21.15 **Additional Terms Subject to State Addendum**. The following provisions may be superseded or modified by a State Addendum that may apply to this Agreement:

21.15.1 **Opportunity to Consult**. Franchisee acknowledges that it has read and understood this Agreement, the Exhibits attached to this Agreement, and all other agreements relating hereto, if any, and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

21.15.2 **Franchise Disclosure Document**. Franchisee acknowledges that it has received a copy of the complete Spitz Franchise Disclosure Document which contains a copy of this Agreement, at least fourteen (14) calendar days prior to the date on which this Agreement was executed. Franchisee acknowledges and agrees that neither Franchisor nor any representative, employee or franchise seller has made no promises, representations, warranties or assurances to Franchisee which are inconsistent with the terms of this Agreement or Franchisor's Franchise Disclosure Document, concerning the profitability or likelihood of success of the Spitz Restaurant, that he has been informed by Franchisor that there can be no guarantee of success in the franchised business and that Franchisee's business ability and aptitude is primary in determining his success.

21.15.3 **Copy of Agreement**. Franchisee acknowledges that it received a copy of this Agreement, the Exhibits attached to this Agreement and all other agreements relating hereto, if any, with all of the blank lines filled in, at least seven (7) days prior to the Effective Date.

(Signature page follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

FRANCHISOR:	**FRANCHISEE:**
RADWICK FRANCHISING, LLC A Delaware limited liability company	_____ a _____
By: _____ Name: _____ Title: _____	By: _____ Name: _____ Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE INFORMATION

EXHIBIT A
FRANCHISE INFORMATION

RADWICK FRANCHISING, LLC
FRANCHISE INFORMATION

EXHIBIT A
FRANCHISE INFORMATION

EFFECTIVE DATE: _____

NAME OF FRANCHISEE: _____

EXPIRATION DATE: _____

OPENING DATE: _____

The following site has been selected and approved as the "**Franchised Location**" for the "**Spitz Restaurant**" in accordance with the Franchise Agreement entered into between Franchisor and Franchisee and dated _____, 20___:

_____

_____

NOTICE ADDRESS FOR FRANCHISEE: _____

EMAIL: _____

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on _____.

FRANCHISOR:	**FRANCHISEE:**
RADWICK FRANCHISING, LLC A Delaware limited liability company	_____ a_ _____
By: _____ Name: _____ Title: _____	By: _____ Name: _____ Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

Franchisee represents and warrants that the following information is accurate and complete in all material respects:

(1) Franchisee is a (check as applicable):

[ ] corporation
[ ] limited liability company
[ ] general partnership
[ ] limited partnership
[ ] Other (specify): _____

State of incorporation/organization: _____

Name of Franchisee entity: _____

Federal Tax Identification number: _____

(2) Franchisee shall provide to Franchisor concurrently with the execution of this Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution and performance of this Agreement and any amendments to the foregoing (the "Entity Documents").

(3) Franchisee promptly shall provide all additional information that Franchisor may request concerning all persons who may have any, direct or indirect, financial interest in Franchisee.

(4) The name, contact information and ownership interest percentage or units/shares owned of each Owner is:

Name	**Address**	**Email**	**Ownership**

(5) The names, addresses and titles of Franchisee Owner who will be devoting their full time to the Spitz Restaurant are:

NAME **ADDRESS** **TITLE**

(6) The address where Franchisee's financial records and Entity Documents are maintained is: _____.

(7) The Operating Partner is _____.

(8) Franchisee represents and warrants to Franchisor, as an inducement to Franchisor's execution of the Franchise Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Franchisee shall provide Franchisor with all additional information Franchisor may request with respect to the Owners and the ownership of Franchisee. In addition, Franchisee shall notify Franchisor within ten (10) days of any change in the information set forth in the Entity Information Disclosure and shall provide Franchisor with a revised Entity Information Disclosure certified by Franchisee to be true, correct and complete in all material respects. Franchisor grants Franchisee the rights in this Agreement in reliance upon each and all of the terms of this Entity Information Disclosure.

IN WITNESS WHEREOF, the Parties have executed this Exhibit B on the Effective Date.

FRANCHISOR:	**FRANCHISEE:**
RADWICK FRANCHISING, LLC A Delaware limited liability company	_____ a _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE AGREEMENT

EXHIBIT C
GUARANTEE OF FRANCHISE AGREEMENT

EXHIBIT C
GUARANTEE OF FRANCHISE AGREEMENT

The undersigned ("Guarantors") have requested RADWICK FRANCHISING, LLC, a Delaware limited liability company ("Franchisor"), to enter into a Franchise Agreement dated _____ (the "Franchise Agreement") with _____, a _____ ("Franchisee"). In consideration for, and as an inducement to, Franchisor's execution of the Franchise Agreement, Guarantors hereby grant this guarantee (this "Guarantee") and agree as follows:

1. "Obligations" means and includes any and all obligations of Franchisee arising under or pursuant to the Franchise Agreement and all other obligations, whether now existing or hereafter arising, of Franchisee to Franchisor of whatever nature.

2. Guarantors irrevocably and unconditionally, fully guarantee to Franchisor the prompt, full and complete payment of any and all Obligations of Franchisee to Franchisor and the performance of any and all obligations of Franchisee including, without limitation, obligations under the Franchise Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations.

3. If Franchisee fails to pay any of the Obligations, Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors. Guarantors agree that if any obligation, covenant or agreement contained in the Franchise Agreement is not observed, performed or discharged as required by the Franchise Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, to observe, perform or discharge the obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors.

4. No exercise or non-exercise by Franchisor of any right under this Guarantee, no dealing by Franchisor with Franchisee or any other person and no change, impairment or suspension of any right or remedy of Franchisor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Franchisor. Without limiting the generality of the foregoing, Guarantors agree that, regardless of whether Franchisor gives notice thereof or obtains the consent of Guarantors thereto, Guarantors' liability under this Guarantee shall not be released, extinguished or otherwise reduced in any way by reason of (i) any amendment, modification, renewal, extension, substitution or replacement of the Franchise Agreement or of any of the Obligations, in whole or in part; (ii) any acceptance, enforcement or release by Franchisor of any security for the Franchise Agreement or of any of the Obligations, any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the Franchise Agreement or the Obligations or any security therefore; (iii) any assignment of this Guarantee, in whole or in part by Franchisor, or any Assignment or transfer of the Franchise Agreement (or any of them) by Franchisor or Franchisee; (iv) the invalidity or unenforceability of any provision of the Franchise Agreement or any of the Obligations; or (v) any failure, omission or delay of Franchisor in enforcing the Franchise Agreement, the Obligations or this Guarantee.

5. Guarantors waive and agree not to assert or take advantage of (i) any right to require Franchisor to proceed against Franchisee or any other person, firm or corporation or to proceed against or exhaust any security held by Franchisor at any time or to pursue any other remedy in Franchisor's power; (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby; (iii) any defense that may arise by reason of Franchisee's incapacity, lack of authority, insolvency or bankruptcy or Franchisor's failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Franchisee, any other or others; (iv) any defense arising out of any alteration of the Franchise Agreement or the Obligations; (v) notice of Franchisee's Default in the payment or performance of any of the Obligations; (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or additional Obligations or obligations or of any action or non-action on the part of Franchisee, Franchisor, any endorser, creditor of Franchisee or Guarantors under this or any other instrument, or any other person, in connection with any obligation or evidence of Obligations held by Franchisor or in connection with any Obligations hereby guaranteed; (vii) all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement

against Franchisee by operation of Applicable Law or otherwise; (viii) any duty of Franchisor to disclose to Guarantors any facts that Franchisor may now or hereafter know about Franchisee, regardless of whether Franchisor has reason to believe that those facts materially increase the risk beyond that which Guarantors intends to assumes or has reason to believe that the facts are unknown to Guarantors or has a reasonable opportunity to communicate the facts to Guarantors, it being understood and agreed that Guarantors is responsible to be and to keep informed of Franchisee's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed; and (ix) any right to the benefit of or to direct the application of any security held by Franchisor.

6. Until all Obligations to Franchisor are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Franchisor now has or may hereafter have against Franchisee. All existing or future indebtedness of Franchisee to Guarantors and any right to withdraw capital invested in Franchisee by Guarantors are hereby subordinated to all Obligations.

7. Guarantors' liabilities and all rights, powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and the rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law. The following applies to Guarantors located in the State of California: Without limiting the generality of anything contained in this Guarantee, Guarantors waive and agree not to assert or take advantage of (i) all rights described in California Civil Code Section 2856(a)(1) through 2856(a)(3), inclusive, including, without limitation, any rights or defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive; and (ii) California Civil Code Section 2899.

8. The liability of Guarantors under this Guarantee shall be an absolute, direct, immediate and unconditional continuing guarantee of payment and performance and not of collection. Guarantors' obligations under this Guarantee are independent of Franchisee's obligations. This is a continuing Guarantee. It shall be irrevocable during the initial term and each renewal term and through any extensions, amendments, modifications, substitutions or replacements of the Franchise Agreement and until all Obligations has been fully paid and the Obligations have been fully performed. In the event of any Default under this Guarantee, a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Franchisee or whether Franchisee is joined in any action or actions. Franchisor may maintain successive actions for other Defaults. Franchisor's rights under this Guarantee shall not be exhausted by Franchisor's exercise of any rights or remedies or by any action or by any number of successive actions until and unless all Obligations have fully been paid and performed. The obligations of Guarantors shall be primary and are independent of the obligations of Franchisee and Franchisor may directly enforce its rights under this Guarantee without proceeding against or joining Franchisee or any other person or Entity, or applying or enforcing any security of the Franchise Agreement. Guarantors acknowledge and agree that Guarantors shall, and hereby are, bound by each and all of the confidentiality and non-competition provisions of the Franchise Agreement.

9. Neither any provision of this Guarantee nor right of Franchisor under this Guarantee can be waived, nor can Guarantors be released from Guarantors' obligations under this Guarantee except by a written agreement executed by Franchisor. If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective. This Guarantee constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter hereof and no representation, understanding, promise or condition concerning the subject matter hereof shall bind Franchisor unless expressed herein.

10. All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 20 of the Franchise Agreement. Notices to Guarantors shall be sent to the address set forth below each Guarantors' signature below.

11. This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Guarantee. In addition, this Guarantee may be signed electronically by Guarantors and

electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guarantee.

12. This Guarantee shall be interpreted and construed under the laws of Delaware. In the event of any conflict of law, the law of Delaware shall prevail, without regard to the application of Delaware conflict of law rules. If, however, any provision of this Guarantee would not be enforceable under the laws of the state where the Guarantors are located, and if the Spitz Restaurant is located outside of the State where the Guarantors are located and such provision would be enforceable under the laws of the state in which the Spitz Restaurant is located, then such provision shall be interpreted and construed under the laws of that state. Guarantors hereby submit to the personal jurisdiction of and venue in the United States District Court for the District of Utah and the state courts of Utah located in Salt Lake City, Utah, for all cases and controversies arising in connection with this Guarantee, and waive any objection to the personal jurisdiction of and venue in any such courts.

(Signature Page Follows)

Executed by or on behalf of Guarantors on the date set forth below.

_____ Date: _____
Address:
_____

_____ Date: _____
Address:

_____

RADWICK FRANCHISING, LLC
FRANCHISE AGREEMENT

EXHIBIT D
DEBIT AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS
(DIRECT DEBITS)

The undersigned franchisee/depositor ("Depositor") hereby (1) authorizes **RADWICK FRANCHISING, LLC** and its affiliates ("Franchisor") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account indicated below and (2) authorizes the depository designated below ("Depository") to debit such account pursuant to Franchisor's instructions. Such credits and/or debits shall take place on a [**RECURRING TIME PERIOD**] basis with a minimum amount of $_____ and a maximum amount of $_____ per transaction.

Depository	Branch
City and State	Zip Code
Bank Transit /ABA Number	Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Depositor of the Depositor's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Notwithstanding the foregoing, Depository shall provide Franchisor and Depositor with thirty (30) days prior written notice of the termination of this authority. If an erroneous debit entry is initiated to Depositor's account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or forty- five (45) days after posting, whichever comes first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error, and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws. Depositor shall be responsible for all charges assessed by Depository to process all debit entries and/or credit corrections entries to the undersigned's checking and/or savings account initiated by Franchisor. Franchisor will credit Depositor for fees if error is deemed to be caused by Franchisor.

DEPOSITOR (Print Name)	DEPOSITORY (Print Name)
By: _____	By: _____
Its: _____	Its: _____

RADWICK FRANCHISING, LLC
FRANCHISE AGREEMENT

EXHIBIT E
PURCHASE ADDENDUM

Exhibit E to Franchise Agreement
Purchase Addendum

THIS PURCHASE ADDENDUM TO FRANCHISE AGREEMENT ("Purchase Addendum") is dated as of _____ __, 20__ ("Effective Date") and is made by and between Radwick Franchising, LLC, a Delaware limited liability company ("Franchisor") and _____, a _____ ("Franchisee"). This Purchase Addendum amends and supplements the Franchise Agreement between the parties executed simultaneously herewith (the "Franchise Agreement").

RECITALS

WHEREAS, simultaneous with the execution of this Purchase Addendum, Franchisee and Franchisor have entered into the Franchise Agreement; and

WHEREAS, Franchisee has requested, and Franchisor agrees to grant, certain modifications to the terms of the Franchise Agreement, as a condition to entering into the Franchise Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the Parties mutually acknowledge, the Parties mutually agree to modify the Franchise Agreement as follows:

1. **Capitalized Terms**. Capitalized terms used but not defined in this Purchase Addendum shall have the meaning(s) given in the Franchise Agreement.

2. **Initial Franchise Fee**. Section 4.1 of the Franchise Agreement is deleted in its entirety and replaced as follows:

The Initial Franchise Fee will be payable by Franchisee to Franchisor in the amount of One Dollar ($1.00).

3. **Graduated Royalties**. Section 4.4 of the Franchise Agreement is modified as follows:

Beginning on the Effective Date, Franchisee shall pay Franchisor, in accordance with Section 4.4, a weekly Royalty Fee as follows:

Time Period	Royalty Fee as a percentage of Gross Revenue of the Spitz Restaurant
Months 1 to 3	No Royalty Fee
Months 4 to 8	3.00%

Months 9 and thereafter	5.50% or $125 per week, whichever is greater

4. **Non-Transferability**. Franchisee acknowledges that this Purchase Addendum is specific to Franchisee and is non-transferable and non-delegable. If Franchisee Transfers its Spitz Restaurant or Franchisee's at least 50% of its equity interests, this Purchase Addendum will terminate effective as of the date of Transfer. Franchisor is not obligated to grant similar royalty discounts or waivers of the Transfer Fee to the transferee.

5. **Indemnification.** An Indemnifiable Claim under Section 18.4 shall include any payments made by Franchisor or any Constituent in respect of any guaranty in favor of any landlord of the Franchised Location.

6. **Effect of Purchase Addendum**. Except as modified by this Purchase Addendum, the Franchise Agreement remains in full force and effect. There are no other amendments or supplements to the Franchise Agreement intended by the parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

FRANCHISOR:

RADWICK FRANCHISING, LLC
A Delaware limited liability company

By: _____
Name: Bryce Rademan
Title: President

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT B
AREA DEVELOPMENT AGREEMENT

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT
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EXHIBIT B	DEVELOPMENT INFORMATION
EXHIBIT C	GUARANTEE OF AREA DEVELOPMENT AGREEMENT

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this "Agreement") is made and entered into as of _____ (the "Effective Date"), by and between RADWICK FRANCHISING, LLC, a Delaware limited liability company ("Franchisor"), on the one hand, and _____, a _____ ("Area Developer"), on the other hand, who are individually referred to in this Agreement as a "Party", and collectively referred to in this Agreement as "Parties", with reference to the following facts:

A. Franchisor and Franchisor's affiliate developed the "Spitz System" for the establishment and operation of Spitz Restaurants, which are upscale quick-service restaurants offering Mediterranean-style sandwiches, wraps, salads, liquor, beer & wine and catering services ("Spitz Restaurants") and use the trade name and service mark "Spitz" and other related trademarks, service marks, logos and commercial symbols (the "Spitz Marks"). The Spitz Marks used to identify the Spitz System are used under license from Franchisor's affiliate and may be modified by Franchisor and Franchisor's affiliate at any time. Franchisor and Franchisor's affiliate continue to develop, use and control the use of the Spitz Marks in order to identify for the public the source of services and products marketed under the Spitz Marks and the Spitz System, and to represent the Spitz System's high standards of quality, appearance and service.

B. Franchisor desires to expand and develop Spitz Restaurants in the Development Area and Area Developer desires to develop, open and operate Spitz Restaurants in the Development Area in accordance with the terms of this Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH THE PARTIES MUTUALLY ACKNOWLEDGE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. DEFINITIONS

The capitalized terms in this Agreement are assigned these definitions:

1.1 "Additional Area Development Agreement" shall have the meaning set forth in Section 2.6.1.

1.2 "Additional Development Notice" shall have the meaning set forth in Section 2.6.

1.3 "Additional Development Rights" means the rights that Franchisor may, but shall not be obligated to, grant Area Developer to develop additional Spitz Restaurants in the Development Area under an Additional Development Plan acceptable to Franchisor.

1.4 "Additional Development Obligation" shall have the meaning set forth in Section 2.6.

1.5 "Additional Development Plan" shall have the meaning set forth in Section 2.6.

1.6 "Affiliate" or "Affiliates" mean any person or Entity that controls, is controlled by, or is under common control with, a Party to this Agreement. Control of a person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Entity whether by contract or otherwise.

1.7 "Anti-Terrorism Laws" shall have the meaning set forth in Article 16.

1.8 "Applicable Law" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of the Spitz Restaurants that are in effect on or after the Effective Date, as they may be amended at any time.

1.9 "Approved Suppliers" means suppliers of Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products, and ancillary services, food products, beverages, supplies, furniture, fixtures and equipment

for Spitz Restaurants that have been accepted and approved by Franchisor because they have demonstrated to Franchisor their ability to supply products and services for Spitz Restaurants meeting Franchisor's specifications as to brand names, models, contents, manner of preparation, ingredients, quality, freshness, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services. Franchisor and its Affiliates may be Approved Suppliers.

1.10 "Assignment" shall have the meaning set forth in Section 9.2.

1.11 "Authorized Spitz Products" means all Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products offered for sale or used at Spitz Restaurants, as specified by Franchisor at any time in its sole discretion.

1.12 "Business Judgment" means that Franchisor is allowed to exercise its judgment however Franchisor believes is appropriate in a given circumstance without limitation, subject to the use of that discretion in any reasonable way as more fully described in Section 18.15.

1.13 "Capital Event" shall have the meaning set forth in Section 9.1.

1.14 "Competitive Business" means any restaurant business which prepares, offers and sells Mediterranean style food products as a primary menu item and any restaurant business which looks like, copies, imitates, or operates with similar trade dress or décor to the Spitz Restaurant.

1.15 "Constituents" means past, present and future Affiliates, parents, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

1.16 "Crisis Management Event" means any event that occurs at or about a Spitz Restaurant that has or may cause harm or injury to customers or employees, including, without limitation, food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings, epidemics, pandemics or any other circumstance which may damage the Spitz System, the Spitz Marks, or the image or reputation of Franchisor and its Affiliates.

1.17 "Default" means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

1.18 "Development Area" means the geographic area described on Exhibit B.

1.19 "Development Fee" means $15,000 multiplied by the number of Spitz Restaurants to be developed by Area Developer under this Agreement, other than the first Spitz Restaurant, and payable to Franchisor by Area Developer on the Effective Date in the amount set forth on Exhibit B.

1.20 "Development Period" means each of the time periods indicated on Exhibit B during which Area Developer shall have the right and obligation to construct, equip, open and thereafter continue to operate Spitz Restaurants in accordance with the Minimum Development Obligation.

1.21 "Direct Claim" shall have the meaning set forth in Section 14.4.1.

1.22 "Disclosure Document" shall have the meaning set forth in Section 5.4.

1.23 "Entity" means any limited liability company, partnership, trust, association, corporation or other entity, which is not an individual.

1.24 "Equity" means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity.

1.25 "Exercise Date" shall have the meaning set forth in Section 12.2.

1.26 "Expiration Date" means the fifth (5th) anniversary of the Effective Date. "Fair Market Value" shall have the meaning set forth in Section 12.2.

1.27 "Final Acceptance" shall have the meaning set forth in Section 5.2.

1.28 "Force Majeure" means any event (i) that was reasonably unforeseeable as of the Effective Date, (ii) that is beyond the reasonable control, directly or indirectly, of a Party, (iii) that could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence, (iv) that does not result from the fault or negligence of that Party or its agents, employees or contractors, and (v) that causes the Party to be delayed, in whole or in part, or unable to partially or wholly perform its obligations under this Agreement. Subject to the satisfaction of the foregoing criteria, Force Majeure shall include: (a) acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe), (b) strikes, lockouts or other industrial disturbances, (c) war, terrorist acts, riot, or other civil disturbance, (d) unilateral governmental action impacting restaurants generally, and (e) contagious diseases, epidemics, pandemics, transportation shortages, inadequate supply of labor, material or energy.

1.29 "Franchise Agreement" means the form of agreement prescribed by Franchisor and used to grant to Area Developer the right to develop, open and operate a single Spitz Restaurant in the Development Area, including all exhibits, riders, guarantees or other related instruments, all as amended by Franchisor at any time.

1.30 "Franchised Location" shall have the meaning set forth in Section 5.1.

1.31 "General Release" means the form of general release prescribed by Franchisor of any and all known and unknown obligations, liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, against Franchisor and its Constituents. A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed.

1.32 "Good Standing" means Area Developer is in substantial compliance with the material requirements of this Agreement, the Spitz Franchise Agreements, the Manuals and all other agreements then in effect between Franchisor or its Affiliates, and Area Developer, and has substantially cured each curable Default for which Franchisor has issued a notice of Default to Area Developer within the time periods set forth in Section 11.3.

1.33 "Governmental Authority" means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

1.34 "Gross Revenue" means the total of all revenues derived from sales of any nature or kind whatsoever from the Spitz Restaurants during the Term, as well as the proceeds from any business interruption insurance related to the non-operation of the Franchised Location, and whether evidenced by cash, services, property, barter, or other means of exchange, including orders taken in or from a Spitz Restaurant although filled elsewhere. "Gross Revenue" shall include the full value of meals Area Developer provides to its employees as incident to their employment (less the value of any discounts against Gross Revenue given during the month in which the meals were provided) and all proceeds from the sale of coupons, gift certificates or vouchers. "Gross Revenue" shall exclude the amount of bona fide refunds paid to customers and the amount of any sales or use taxes actually paid to any Governmental Authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed.

1.35 "Indemnifiable Claim" shall have the meaning set forth in Section 14.4.

1.36 "Indemnitees" shall have the meaning set forth in Section 14.4.

1.37 "Indemnitors" shall have the meaning set forth in Section 14.4.

1.38 "Initial Franchise Fee" means the initial fee that Area Developer must pay Franchisor for each Spitz Restaurant developed, Opened and operated by Area Developer in the Development Area in the amount set forth on Exhibit B.

1.39 "Initial Term" means the five (5) year period commencing on the Effective Date and ending on the Expiration Date.

1.40 "Landlord" means the owner of a Franchised Location who enters into a Lease with Area Developer for a Franchised Location.

1.41 "Lease" shall mean any agreement, however denominated, that allows Area Developer to occupy a Franchised Location owned by a Landlord, including any lease, sublease, concession agreement, license and similar arrangement between Area Developer and a Landlord.

1.42 "Losses and Expenses" shall have the meaning set forth in Section 14.4.

1.43 "Manuals" means Franchisor's operations and training manuals, and any other written directive related to the Spitz System, as the same may be amended and revised by Franchisor at any time, including all bulletins, supplements and ancillary and additional manuals and written directives established by Franchisor as and when in effect and amended.

1.44 "Minimum Development Obligation" shall mean the Area Developer's right and obligation to construct, equip, open and thereafter continue to operate at sites within the Development Area the cumulative number of Spitz Restaurants set forth in Exhibit B hereto within each Development Period.

1.45 "Non-Proprietary Products" means the food products, condiments, beverages, raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, menus, packaging, forms, POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Spitz Branded Products and Spitz Proprietary Products, that may or must be used, offered and sold at the Spitz Restaurants.

1.46 "Non-Traditional Venues" means a broad variety of atypical retail sites, including, without limitation, a site, venue or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings including office buildings and business complexes, arenas, stadiums and entertainment venues, health clubs and recreational facilities, airports, train and bus stations, toll road facilities and other transportation terminals and related facilities, food service fulfillment centers, educational, medical, governmental and other types of institutional facilities, restaurant-in retail locations or restaurant-in restaurant locations (for example, a restaurant within a grocery store, other restaurant or movie theater), food courts operated by a master concessionaire and any site for which the lessor, owner or operator limits the operation of its food service facilities to a master concessionaire or contract food service provider.

1.47 "Open", "Open For Business", "Opened" and "Opened For Business" means that Area Developer has actually begun to sell food products to the public from a Spitz Restaurant.

1.48 "Opening Date" means the day that (i) Area Developer receives written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at a Spitz Restaurant; and (ii) Area Developer actually begins to offer Authorized Spitz Products for sale to the public from the Spitz Restaurant, whichever occurs last.

1.49 "Owner" means each of the individuals listed on Exhibit A and each future direct or indirect shareholder, member, general or limited partner, trustee or other Equity owner of Area Developer. If Area Developer is an Entity, each Owner and each Owner's spouse shall jointly and severally guarantee Area Developer's payment and performance of its obligations under this Agreement under a Guarantee in the form of Exhibit C.

1.50 “Preliminary Acceptance” shall have the meaning set forth in Section 5.1.

1.51 “Principal Owner” means the individual designated by Area Developer on Exhibit A, and accepted by Franchisor, to serve as the authorized representative of Area Developer, who shall act as Area Developer’s representative in all matters with Franchisor, as Area Developer’s liaison with Franchisor, the Franchisor Owners and the Owners, who shall have the authority to act on behalf of Area Developer during the Term

1.52 without the participation of any other Owner, and who shall own at least ten percent (10%) of the Equity of Area Developer.

1.53 “Proposed Buyer” shall have the meaning set forth in Section 9.3.

1.54 “Purchase Notice” shall have the meaning set forth in Section 9.3.2.

1.55 “Purchase Price” shall have the meaning set forth in Section 12.2.

1.56 “Qualified Assignment” shall have the meaning set forth in Section 9.2.3.

1.57 “Renewal Rights” means the rights held by Area Developer to renew this Agreement for the Renewal Term upon the expiration of the Initial Term.

1.58 “Renewal Term” means one (1) five (5) year period commencing on the Expiration Date and ending on the Renewal Term Expiration Date.

1.59 “Renewal Term Expiration Date” means the fifth anniversary of the commencement date of the Renewal Term.

1.60 “Site Review Request” shall have the meaning set forth in Section 5.1.

1.61 “Spitz Branded Products” means any product now existing or developed in the future that bears any of the Spitz Marks, including products that are prepared, sold and/or manufactured in strict accordance with Franchisor’s recipes, methods, standards and specifications, as well as novelty items such as cups, coolers, hats, t-shirts and the like.

1.62 “Spitz Marks” shall have the meaning set forth in Recital A.

1.63 “Spitz Proprietary Products” means only those food products, beverages, packaging and other products which are produced or manufactured strictly in accordance with Trade Secrets or that Franchisor otherwise designates as proprietary.

1.64 “Spitz Restaurant Assets” shall have the meaning set forth in Section 12.2.

1.65 “Spitz System” means Franchisor’s operating methods and business practices related to a Spitz Restaurant, and the relationship between Franchisor and its area developers and franchisees, including interior and exterior Spitz Restaurant design; other items of trade dress; specifications of equipment, fixtures, and uniforms; defined product offerings; recipes and preparation methods; Franchisor specified pricing and promotions; standard operating and administrative procedures; restrictions on ownership; management and technical training programs; and marketing and public relations programs; all as Franchisor may modify the same at any time in its sole discretion.

1.66 “Take-Along Assets” shall have the meaning set forth in Section 9.1.

1.67 “Take-Along Notice” shall have the meaning set forth in Section 9.1.

1.68 “Take-Along Rights” shall have the meaning set forth in Section 9.1.

1.69 "Term" means" means both the Initial Term and the Renewal Term of this Agreement.

1.70 "Then-Current" means (i) the form of agreement then-currently provided by Franchisor to similarly situated prospective Spitz area developers and franchisees, which may contain terms and conditions that are materially different from this Agreement, or if not then being so provided, then a form of agreement selected by Franchisor in its discretion which previously has been delivered to and executed by a Spitz area developer or franchisee; (ii) the fees then-currently charged by Franchisor or its Affiliates; (iii) the then- current qualifications or financial conditions required by Franchisor for Spitz area developers or franchisees; or (iv) then-current appearance, design standards and equipment specifications applicable to Spitz Restaurants.

1.71 "Third Party Claim" shall have the meaning set forth in Section 14.4.1.

1.72 "Third Party Offer" shall have the meaning set forth in Section 9.3.

1.73 "Trade Secrets" means proprietary and Confidential Information, including, recipes, ingredients, specifications, procedures, policies, concepts, systems, know-how, plans, software, strategies and methods and techniques of operating Spitz Restaurants and producing Authorized Spitz Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that can be shown that was already lawfully in a third party's possession before receipt from Franchisor.

1.74 "Venue" means any site other than a Non-Traditional Venue.

2. GRANT OF RIGHTS

2.1 Grant and Minimum Development Obligation. Franchisor hereby grants Area Developer, and Area Developer hereby accepts the right and obligation to use the Spitz Marks and the Spitz System to develop, open and operate the cumulative number of Spitz Restaurants set forth in Exhibit B in the Development Area during the Initial Term. Except as provided in Section 2.6, Area Developer may not develop, open or operate more Spitz Restaurants than the number of Spitz Restaurants set forth on Exhibit B during the Initial Term. Area Developer shall not subcontract, sublicense, share, divide or partition this Agreement or enter into any agreement with any third party providing for the right to develop, open or operate Spitz Restaurants or to use the Spitz Marks or the Spitz System and nothing in this Agreement will be construed as granting Area Developer the right to do so. The Parties shall execute Franchisor's Then- Current Franchise Agreement for each Spitz Restaurant to be developed, opened and operated by Area Developer under this Agreement, the form of which may differ from the form of Spitz Franchise Agreement attached to Franchisor's Franchise Disclosure Document (the "Disclosure Document") provided to Area Developer prior to the Effective Date.

2.2 Exclusive License. Except as otherwise provided in this Section 2.2 and in Section 2.4, the rights granted to Area Developer under this Agreement are exclusive during the Initial Term so long as Area Developer is in Good Standing and neither Franchisor nor any of its Affiliates shall themselves develop, open and operate, or grant third parties the right to develop, open and operate, Spitz Restaurants in the Development Area during the Initial Term. Area Developer acknowledges the Development Area may be subject to pre-existing franchises granted prior to the Effective Date. The Development Area will not contain any areas granted to other franchisees prior to the Effective Date. Existing franchisees may renew or transfer the franchise rights previously granted to them under their Area Development Agreements or Franchise Agreements.

2.3 Adherence to Development Schedule. Area Developer shall satisfy the Minimum Development Obligation by Opening the number of Spitz Restaurants in the Development Area within each Development Period as required by the Development Schedule set forth on Exhibit B and by continuing to operate the cumulative number of Spitz Restaurants required by the Minimum Development Obligation. Failure to comply with the Development Schedule shall constitute a Default under this Agreement and shall entitle Franchisor to (i) collect a Default Royalty Fee from Area Developer for each month following the date that a Spitz Restaurant was required to be Opened under the Development Schedule and the actual date that the Spitz Restaurant Opens; and (ii) terminate this Agreement,

unless the Default results from an event of Force Majeure, in which case, the deadline to Opening a Spitz Restaurant may be extended by Franchisor as provided in Section 2.7.

2.4 Rights Reserved by Franchisor. Except as expressly provided in Section 2.2, Franchisor expressly reserves all other rights, including the exclusive, unrestricted right, in its discretion, directly and indirectly, through its employees, Affiliates, representatives, licensees, assigns, agents and others, to (i) develop, own and operate, and to grant franchises to third parties to develop, own and operate, Spitz Restaurants outside the Development Area, regardless of their proximity to the Development Area; (ii) develop, own and operate, and to grant franchises to third parties to develop, own and operate any other business, including a restaurant business, other than a Competitive Business, under marks and systems different from the Spitz Marks and the Spitz System within and outside the Development Area; (iii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, Spitz Branded Products within and outside the Development Area, through the Internet, mail order catalogs, direct mail advertising and through other distribution methods; (iv) market on the Internet and use the Spitz Marks on the Internet, including all use of web sites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media; (v) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Spitz Restaurants and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; (vi) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Spitz Restaurants, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses; (vii) open or operate and to franchise or license others to open or operate Spitz Restaurants at any Non-Traditional Venue within and outside of the Development Area regardless of their proximity to any Spitz Restaurants developed or under development by Area Developer; and (viii) engage in all other activities that this Agreement does not expressly prohibit.

2.5 Adherence to Development Schedule. Area Developer shall satisfy the Minimum Development Obligation by Opening the number of Spitz Restaurants only at Venues in the Development Area within each Development Period as required by the Development Schedule and by continuing to operate the cumulative number of Spitz Restaurants required by the Minimum Development Obligation. Failure to comply with a scheduled Opening Date set forth in the Development Schedule shall constitute a Default under this Agreement and shall entitle Franchisor to terminate this Agreement, unless the Default results from an event of Force Majeure, in which case, the Opening Date may be extended by Franchisor as provided in Section 2.8.

2.6 Closures, Replacement, Relocation and Assignments of Spitz Restaurants. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, if, during the Term, Area Developer ceases to operate any Spitz Restaurant developed and Opened under this Agreement for any reason, Area Developer must develop a replacement Spitz Restaurant (a "Replacement Restaurant") to fulfill Area Developer's obligation to have Open and in operation the required number of Spitz Restaurants at the expiration of each Development Period. The replacement Area Developer may not, however, cease operating any Spitz Restaurant or obtain a Replacement Restaurant without Franchisor's prior written consent. Area Developer must Open each Replacement Restaurant within twelve (12) months after the date of the closing of the Spitz Restaurant that it will replace (the "Replacement Shop Deadline"). If Area Developer fails to begin operating a Replacement Restaurant by its Replacement Shop Deadline, Area Developer shall pay Franchisor a Default Royalty Fee for each month following the Replacement Restaurant Deadline until that Replacement Restaurant begins operating. Spitz Restaurants that are operating that are assigned to Affiliates of Area Developer with Franchisor's consent, shall count in determining whether Area Developer has satisfied the Minimum Development Obligation for so long as the applicable Affiliate continues to comply with the terms of this Agreement.

2.7 Additional Development Rights. If Area Developer satisfies the Minimum Development Obligation before the Expiration Date and desires to develop, open and operate additional Spitz Restaurants in the Development Area, Area Developer shall have the right to extend the Initial Term of this Agreement for an additional five (5) years on the terms and conditions set forth in this Section 2.7 ("Renewal Term"). If Area Developer desires to extend the Initial Term of this Agreement for an additional five (5) years, Area Developer shall notify Franchisor in writing (the "Additional Development Notice") that Area Developer desires to do so and provide Franchisor with a proposal for the development of additional Spitz Restaurants in the Development Area (the "Additional Development Obligation"),

setting forth the number of additional Spitz Restaurants proposed to be opened by Area Developer, the proposed development fees and the proposed opening dates for each Spitz Restaurant during the Renewal Term. Franchisor may, but has no obligation to, grant Area Developer the Additional Development Rights described in this Section 2.7 in its sole and absolute discretion.

2.7.1 If the Additional Development Obligation proposed by Area Developer is unacceptable to Franchisor, or if the Parties cannot reach an agreement on an alternative Additional Development Obligation within the thirty (30) day period after the date of the Additional Development Notice, this Agreement shall expire on the Expiration Date. Franchisor and Area Developer shall execute Franchisor's Then-Current Franchise Agreement for each additional Spitz Restaurant to be developed and opened in the Development Area by Area Developer. If the Additional Development Obligation proposed by Area Developer is acceptable to Franchisor, or if the Parties reach agreement on an alternative Additional Development Obligation within the thirty (30) day period after the date of the Additional Development Notice, Franchisor shall deliver to Area Developer its Then-Current form of Spitz Area Development Agreement (the "Additional Area Development Agreement") setting forth the agreed upon Additional Development Obligation. Within thirty (30) days after Area Developer's receipt of the Additional Area Development Agreement, Area Developer shall execute the Additional Area Development Agreement, and return it to Franchisor. If Area Developer has so executed and returned the Additional Area Development Agreement, and has satisfied the conditions precedent set forth in Section 2.6.2, Franchisor shall execute the Additional Area Development Agreement, and return a fully executed copy to Area Developer.

2.7.2 Franchisor shall execute the Additional Area Development Agreement, if, and only if, (i) Franchisor elects to grant the Additional Development Rights to Area Developer; (ii) Area Developer has fully performed all of its obligations under this Agreement and all other agreements between Franchisor and Area Developer and is in Good Standing on the date of the Additional Development Notice and on the date Franchisor signs the Additional Area Development Agreement; (iii) Area Developer has demonstrated Area Developer's Then-Current financial ability to timely implement and complete the Additional Development Obligation; (iv) Area Developer continues to operate no less than the aggregate number of Spitz Restaurants in the Development Area as required by the Minimum Development Obligation; (v) Area Developer has executed the Additional Area Development Agreement and delivered it to Franchisor together with the development fees and initial development fees payable to Franchisor for the Additional Development Rights; and (vi) Area Developer executes and delivers to Franchisor a General Release in a form acceptable to Franchisor.

2.8 Force Majeure. Neither Party will be in default in the performance of its obligations under this Agreement if such performance is prevented or delayed due to Force Majeure. If Area Developer is unable to meet the Minimum Development Obligation for any Development Period solely as the result of Force Majeure or any legal disability of Franchisor to deliver a Disclosure Document pursuant to Section 5.4, which results in the inability of Area Developer to construct and Open the Spitz Restaurants as required by this Agreement, Area Developer shall provide Franchisor, within ten (10) days after the occurrence of an event that Area Developer believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Area Developer's performance under this Agreement. The determination of whether an event of Force Majeure has occurred shall be made by Franchisor upon Franchisor's assessment of the event causing the delay. Area Developer shall provide Franchisor with continuing updates and all information requested by Franchisor regarding Area Developer's progress and diligence in responding to and overcoming the event of Force Majeure.

2.9 No Rights to Use the Spitz Marks or Spitz System. This Agreement is not a Spitz Franchise Agreement and does not grant Area Developer any right to use the Spitz Marks or the Spitz System or to sell or distribute any Spitz Authorized Products. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Area Developer's rights to use the Spitz Marks and the Spitz System will be granted to Area Developer solely under the terms of a Spitz Franchise Agreement.

3. INITIAL TERM

The Initial Term shall commence on the Effective Date and shall expire on the Expiration Date.

4. PAYMENTS BY AREA DEVELOPER

4.1 Initial Franchise Fees and Development Fees. Area Developer commits to pay Franchisor (i) the Initial Franchise Fee of $35,000 for the first Spitz Restaurant, and (ii) an Initial Franchise Fee of $30,000 for each additional Spitz Restaurant Area to be developed under the Development Schedule. At signing this Agreement, Area Developer will pay Franchisor the Initial Franchise Fee for the first Spitz Restaurant and a Development Fee equal to $15,000 for each additional Spitz Restaurant Area Developer commits to develop. Franchisor will credit the Development Fee paid against the Initial Franchise Fee for each additional Spitz Restaurant upon the Parties' execution of a Franchise Agreement for each Spitz Restaurant, when the balance of the Initial Franchise Fee for that Spitz Restaurant is due and payable. The total Development Fee payable at signing is in the amount set forth on Exhibit B. If Area Developer does not complete the Minimum Development Obligation within each Development Period as required by the Development Schedule, Franchisor will retain the Development Fee that has not been applied to Initial Franchise Fees. Amounts due at signing this Agreement shall be paid by a wire transfer of immediately available funds to a bank account designated by Franchisor. The Initial Franchise Fee for the first Spitz Restaurant and the Development Fee paid are non-refundable, in whole or in part, under any circumstances.

4.2 Franchise Fees. Each Franchise Agreement executed by the Parties for each Spitz Restaurant developed by Area Developer under this Agreement provides for on-going fees and charges, including without limitation a weekly Royalty Fee and when activated, a Marketing Fund Fee.

5. SITE REVIEW AND APPROVAL AND EXECUTION OF DOCUMENTS BY THE PARTIES

5.1 Site Review. Area Developer shall, at all times during the Term, exert Area Developer's best efforts to diligently identify proposed sites for the Spitz Restaurant. When Area Developer identifies a proposed site for a Spitz Restaurant, Area Developer shall submit to Franchisor all demographic and other information regarding the proposed site and neighboring areas that Franchisor shall require, in the form prescribed by Franchisor, and shall request Franchisor to consider and approve the site ("Site Review Request"). Franchisor shall approve, reject or request additional information regarding a proposed site within forty-five (45) days following Franchisor's receipt of a Site Review Request, or within fifteen (15) days after receipt of the additional requested information, whichever is later. If Franchisor accepts a proposed site (a "Franchised Location"), Franchisor shall notify Area Developer of its preliminarily acceptance of the Franchised Location (the "Preliminary Acceptance"), which shall be subject to the successful negotiation by Area Developer of a final Lease or purchase agreement for the Franchised Location. Franchisor may voluntarily (without obligation) assist Area Developer in locating an acceptable Franchised Location for a Spitz Restaurant; however, neither Franchisor's assistance, if any, nor Franchisor's acceptance of any proposed Franchised Location, whether initially proposed by Area Developer or by Franchisor, shall be construed to ensure or guarantee the profitable or successful operation of a Spitz Restaurant at that Franchised Location by Area Developer. Area Developer acknowledges and agrees that it is Area Developer's sole responsibility to identify and obtain each Franchised Location for the Spitz Restaurants to be developed under this Agreement.

5.2 Final Acceptance and Negotiation and Execution of Lease. Promptly following Area Developer's receipt of Preliminary Acceptance by Franchisor, Area Developer shall negotiate a Lease or purchase agreement for the proposed Franchised Location and shall submit a copy of the proposed Lease or purchase agreement, as applicable, to Franchisor to allow Franchisor at least fifteen (15) days to confirm that the provisions set forth in Section 5.3 of this Agreement have been included in the proposed Lease and/or that the Landlord and Area Developer have executed an Option to Obtain Lease Assignment in the form specified by Franchisor. Following Franchisor's review and approval of a proposed final Lease or purchase agreement, as applicable, and Area Developer's satisfaction of all conditions set forth in the Preliminary Acceptance and in Section 5.5, Franchisor shall notify Area Developer of Franchisor's final acceptance of the proposed Franchised Location (the "Final Acceptance"). Area Developer acknowledges and agrees that Franchisor's review and acceptance of a Lease or purchase agreement shall not be construed as an endorsement of the Lease or purchase agreement, or, confirmation that the Lease or purchase agreement complies with Applicable Law, or confirmation that the terms of the Lease or purchase agreement are favorable to Area Developer. Area Developer acknowledges and agrees that it is Area Developer's sole responsibility to review and approve each Lease or purchase agreement for each Spitz Restaurant to be developed under this Agreement.

5.3 Terms of Leases. Each Lease shall provide, unless Franchisor otherwise consents in writing prior to the execution of a Lease that (i) the Lease may not be amended, assigned or sublet without Franchisor's prior written consent; (ii) Franchisor shall have the right (but not the obligation) to succeed to Area Developer's rights under the Lease if Area Developer fails to exercise any option to renew, and or extend the term of the Lease; (iii) upon Area Developer's Default under the Lease, the Landlord shall notify Franchisor in writing at least fifteen (15) days prior to the termination or non-renewal of the Lease; (iv) Franchisor shall have an option to assume the Lease upon the termination or expiration of the Lease for any reason by giving written notice of the election to Area Developer and the Landlord; (v) Area Developer shall have the unrestricted right, without the Landlord's consent, to assign or sublet the Franchised Location to Franchisor, or any franchisee or licensee approved by Franchisor; and (vi) Franchisor shall have the right to enter the Franchised Location to remove all of the Spitz Marks from the Franchised Location and modify the decor of the Franchised Location so that it no longer resembles, in whole or in part, a Spitz Restaurant if Area Developer fails to do so. In lieu of including these provisions in the Lease, Franchisor, Area Developer and the Landlord shall execute an Option to Obtain Lease Assignment in the form specified by Franchisor at the time the Lease is executed by Area Developer and the Landlord. If Franchisor elects to succeed to Area Developer's rights under the Lease, Area Developer shall assign to Franchisor all of its right, title and interest in and to the Lease and take all further action that Franchisor, in its sole and absolute discretion, may deem necessary or advisable to affect the assignment within ten (10) days after written demand by Franchisor to do so.

5.4 Franchise Disclosure Document. Subject to Section 5.5 and after the Preliminary Acceptance of each proposed Franchised Location, Franchisor shall deliver to Area Developer a copy of Franchisor's Then- Current Franchise Disclosure Document as required by Applicable Law (the "Disclosure Document") and a copy of the Then-Current Franchise Agreement for the Spitz Restaurant to be located at the Franchised Location. If Franchisor is not legally able to deliver a Disclosure Document to Area Developer by reason of any lapse or expiration of its franchise registration, or because Franchisor is in the process of amending its registration, or for any reason beyond Franchisor's reasonable control, Franchisor may delay Preliminary Acceptance or Final Acceptance of a proposed Franchised Location or the delivery of a Franchise Agreement for the Spitz Restaurant to be located at a proposed Franchised Location until Franchisor is able to deliver a Disclosure Document to Area Developer in compliance with Applicable Law. No sooner than immediately after the expiration of any applicable waiting period prescribed by Applicable Law, but no later than thirty (30) days after Area Developer's receipt of the Franchise Agreement, Area Developer shall execute the Franchise Agreement and return it to Franchisor together with the applicable Initial Franchise Fee. If Area Developer has executed and returned the signed Then-Current Franchise Agreement and paid Franchisor the Initial Franchise Fee and has satisfied the conditions set forth in Section 5.2 and Franchisor has issued a Final Acceptance, Franchisor shall execute the Then-Current Franchise Agreement and return one (1) fully executed copy of the Franchise Agreement to Area Developer.

5.5 Conditions to Franchisor's Obligations. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Area Developer acknowledges and agrees that, as a condition precedent to Franchisor's performance of Franchisor's obligations under Sections 5.1, 5.2 and 5.3, and to Area Developer's right to develop each and every Spitz Restaurant, all of the following conditions precedent must be satisfied and Franchisor shall execute a Then-Current Franchise Agreement for each Spitz Restaurant if, and only if (i) Area Developer has fully performed all of its obligations under this Agreement and all other agreements between Franchisor and Area Developer and is in Good Standing on the date of Area Developer's delivery of a Site Review Request to Franchisor, the date of the issuance of a Preliminary Acceptance, the date of the issuance of a Final Acceptance, and on the date of Franchisor's execution of a Franchise Agreement; (ii) Area Developer demonstrates Area Developer's Then-Current financial ability to implement and complete the construction and Opening of the Spitz Restaurant; (iii) Area Developer has Opened and continues to operate no less than the aggregate number of Spitz Restaurants required by the Minimum Development Obligation in compliance with the Development Schedule; (iv) Area Developer has executed a Then-Current Franchise Agreement and delivered it to Franchisor; (v) Area Developer executes and delivers a General Release to Franchisor in a form acceptable to Franchisor; and (vi) Area Developer has paid Franchisor the Initial Franchise Fee when Area Developer executed the Franchise Agreement and returned it to Franchisor.

6. OBLIGATIONS OF AREA DEVELOPER

To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same:

6.1 Development and Operation of Spitz Restaurants. Area Developer shall, at all times during the Term, exert Area Developer's best efforts to faithfully, honestly and diligently develop, open and operate the number of Spitz Restaurants in the Development Area in order to satisfy the Minimum Development Obligation and the Development Schedule in accordance with the requirements of this Agreement and each Franchise Agreement for each Spitz Restaurant.

6.2 Name of Spitz Restaurants, Product Lines and Approved Suppliers. All Spitz Restaurants developed, Opened and operated under this Agreement by Area Developer shall operate under the name "Spitz" and shall advertise, sell and serve all and only Authorized Spitz Products under the names designated by Franchisor which shall be prepared and served strictly in accordance with Franchisor's methods, standards, and specifications. All Spitz Branded Products, Spitz Proprietary Products and Non- Proprietary Products designated by Franchisor for use and sale at Spitz Restaurants must be purchased from Approved Suppliers. Franchisor and its Affiliates may be, but are not obligated to become, Approved Suppliers of certain Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products and may act as the sole Approved Suppliers of certain Spitz Branded Products, Spitz Proprietary Products and Non-Proprietary Products.

6.3 Spitz System. Area Developer shall operate the Spitz Restaurant in compliance with the terms of the Franchise Agreements and the Manuals. Area Developer acknowledges and agrees that Area Developer alone shall exercise day-to-day control over all operations, activities and elements of the Spitz Restaurant, including over Area Developer's employees, and that under no circumstance shall Franchisor do so or be deemed to do so. Area Developer further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the Spitz System that Area Developer must comply with under the Franchise Agreements, the Manuals 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 Spitz Restaurant, which Area Developer alone controls, but only constitute standards to which Area Developer must adhere when exercising Area Developer's control over the day-to-day operations of the Spitz Restaurant consistent with the policies of Franchisor. Area Developer shall comply with each Franchise Agreement and shall operate the Spitz Restaurants in conformity with the methods, standards, and specifications that Franchisor may prescribe and modify at any time in the Manuals or otherwise. Since every detail of the Spitz System is essential in order to develop and maintain quality operating standards, to increase the demand for the products and services sold by Spitz Restaurants under the Spitz System and to protect the Spitz Marks and Franchisor's reputation and goodwill, Franchisor shall have the right to disapprove, as it believes necessary, any modification of, or addition to, the Spitz System suggested by Area Developer that is reasonably likely to have an adverse material effect on the Spitz System, the Spitz Marks or Franchisor's reputation or goodwill.

6.4 Modifications. The Spitz System, the Manuals that govern the operation of Spitz Restaurants and the products and services offered by the Spitz Restaurants may be modified by Franchisor at any time in its sole discretion. Area Developer shall comply, at Area Developer's expense, with all modifications and shall implement changes to the Spitz System within the time periods specified by Franchisor following Area Developer's receipt of notice from Franchisor to do so.

6.5 Insurance. Area Developer shall obtain and maintain throughout the term of this Agreement the types and amounts of insurance required by Franchisor and shall provide Franchisor with proof of coverage and Certificates of Insurance upon demand. Workers Compensation insurance must be in compliance with all federal, state, and local laws and regulations.

6.6 Computer Hardware and Software. Area Developer shall purchase, lease or license all computer hardware and software designated by Franchisor for the Spitz Restaurants. All computer hardware and software specified by Franchisor shall be purchased, leased or licensed by Area Developer at Area Developer's expense. During the Term, Area Developer shall maintain and update all computer hardware and software as required by Franchisor.

6.7 Payment of Taxes. Area Developer shall pay all personal property, sales, excise, use, and other taxes, regardless of type or nature, which may be imposed, levied, assessed or charged, on, against, or in connection with the Spitz Restaurants by any Governmental Authority in the Development Area.2

6.8 Compliance with Governmental Regulations. Area Developer shall, as an independent business owner, timely obtain and maintain all permits, certificates, and licenses necessary for the lawful operation of the Spitz Restaurants.

6.9 Internet. Area Developer shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, web site, domain name, bulletin board, newsgroup or other Internet-related medium or activity) which in any way uses or displays, in whole or part, the Spitz Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Franchisor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Franchisor may establish and modify at any time . Area Developer shall not separately register any domain name or any portion of any domain name containing the Spitz Marks or participate or market on any web site or other form of electronic media (including, without limitation, through the use of social technology, social media, social networking platforms or other forms of electronic media not yet developed) using the Spitz Marks without Franchisor's prior written consent. Area Developer's general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules, requirements or policies that Franchisor may identify and modify at any time. Franchisor may, at any time after Area Developer commences use of any approved electronic media, prohibit further use, effective upon receipt of written notice by Area Developer.

6.10 Notifications and Crisis Management Events. Area Developer shall notify Franchisor in writing within (i) twenty-four (24) hours, and confirm in writing within two (2) days thereafter, of any investigation or violation, actual or alleged, of any health, liquor or narcotics laws or regulation related to any Spitz Restaurant in the Development Area; and (ii) five (5) days of the commencement of any investigation, action, suit, or proceeding or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other Governmental Authority which may adversely affect the operation or financial condition of any Spitz Restaurant in the Development Area. Area Developer shall immediately inform Franchisor's President (or as otherwise instructed in the Manuals) by telephone of the occurrence of a Crisis Management Event. Area Developer shall cooperate fully with Franchisor with respect to Franchisor's response to a Crisis Management Event.

7. SPITZ MARKS

Franchisor and its Affiliates continue to develop, use and control the use of the Spitz Marks in order to identify for the public the source of services and products marketed under the Spitz Marks and the Spitz System, and to represent the Spitz System's high standards of quality, appearance and service. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same:

7.1 Ownership and Goodwill of Spitz Marks. Area Developer acknowledges that its right to use the Spitz Marks is derived solely from this Agreement and is limited to use in operating as an Area Developer pursuant to and in compliance with this Agreement and as a Spitz Franchisee pursuant to the Spitz Franchise Agreements between Area Developer and Franchisor. Any unauthorized use of the Spitz Marks by Area Developer shall constitute a breach of this Agreement and an infringement of Franchisor's and Franchisor's affiliate's rights in and to the Spitz Marks. Area Developer acknowledges and agrees that as between Franchisor and Area Developer (i) Franchisor owns the Spitz Marks and the Spitz System; (ii) Area Developer owns no goodwill or rights in the Spitz Marks or the Spitz System except for the license granted by this Agreement; and (iii) Area Developer's use of the Spitz Marks and any goodwill established by that use shall inure to the exclusive benefit of Franchisor. Area Developer agrees not to contest, or assist any other person to contest, the validity of Franchisor's rights and interest in the Spitz Marks or the Spitz System either during the Term or after this Agreement terminates or expires.

7.2 Limitations on Use. Area Developer shall not use any Spitz Mark (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Area Developer under this Agreement); (ii) in connection with unauthorized services or products; (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; or (iv) in any other manner not expressly authorized in writing by Franchisor. Area Developer shall give all notices of trademark and service mark registration as Franchisor specifies and shall use and obtain all fictitious or assumed name registrations required by Franchisor or under applicable law. Area Developer further agrees that no service mark other

than "Spitz" or other Spitz Marks specified by Franchisor shall be used in marketing, promoting, or operating the Spitz Restaurants.

7.3 Modifications. Franchisor reserves the right to (i) modify or discontinue licensing any of the Spitz Marks; (ii) add new names, marks, designs, logos or commercial symbols to the Spitz Marks and require that Area Developer use them; and (iii) require that Area Developer introduce or observe new practices as part of the Spitz System in operating the Spitz Restaurants. Area Developer acknowledges and agrees that the term Spitz Marks means the specific names, marks, designs, logos or commercial symbols licensed by Franchisor at any given point in time, subject to Franchisor's right to impose changes. Area Developer shall comply, at Area Developer's sole expense, with Franchisor's directions regarding changes in the Spitz Marks and Spitz System within a reasonable time after written notice from Franchisor. Franchisor shall have no liability to Area Developer for any cost, expense, loss or damage that Area Developer incurs in complying with Franchisor's directions and conforming to required changes.

7.4 Defense of Spitz Marks and Spitz System. Franchisor shall have the sole right to handle disputes with Area Developers and third parties concerning Franchisor's or Franchisor's Affiliates' ownership of, rights in, or Area Developer's use of, the Spitz Marks or the Spitz System. Area Developer shall immediately notify Franchisor in writing if Area Developer receives notice, or is informed, of any: (i) improper use of any of the Spitz Marks or elements of the Spitz System, including misuse by Area Developers; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Area Developer's judgment, may be confusingly similar to any of the Spitz Marks; (iii) use by any third party of any business practice which, in Area Developer's judgment, unfairly simulates the Spitz System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Area Developer based upon Area Developer's use of the Spitz Marks or the Spitz System. Franchisor shall have sole discretion to take all action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Spitz Marks or the Spitz System. Area Developer shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Franchisor's decisions in handling disputes regarding the Spitz Marks and the Spitz System. Area Developer shall cooperate fully with Franchisor and execute all documents and perform all actions as may, in Franchisor's judgment, be necessary, appropriate or advisable in the defense of all claims, suits or demands and to protect and maintain Franchisor's rights in the Spitz Marks and the Spitz System. Unless it is established that a third party claim asserted against Area Developer is based directly upon Area Developer's misuse of the Spitz Marks or the Spitz System, Franchisor agrees to defend Area Developer against the third party claim and indemnify Area Developer for any losses resulting therefore, provided Area Developer has notified Franchisor as soon as practical after learning of the claim and fully cooperates in the defense of the action. Because Franchisor will defend the third party claim, Area Developer is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter. Area Developer has no right, independent of Franchisor, to make any demand against any such user or challenger or to prosecute any claim of any kind or nature whatsoever relating to the Spitz Marks.

8. CONFIDENTIAL INFORMATION

8.1 Confidential Information. Area Developer acknowledges and agrees that the Spitz System is comprised of confidential information that has been developed by Franchisor and its affiliates by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary, confidential and constitutes trade secrets of Franchisor and its affiliates, and includes, without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, designs, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees of Franchisor and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships

between Franchisor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the Spitz Restaurant which may be communicated to Area Developer, or of which Area Developer may be apprised under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively, the "Confidential Information"). Confidential Information does not include any information that was in the lawful and unrestricted possession of Area Developer prior to its disclosure by Franchisor; is or becomes generally available to the public by acts other than those of Area Developer after receiving it; has been received lawfully and in good faith by Area Developer from a third party who did not derive it from Franchisor or Area Developer; or is shown by acceptable evidence to have been independently developed by Area Developer.

8.2 Value. Area Developer acknowledges and agrees the Confidential Information is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Area Developer; derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor, its franchisees or Area Developer; and is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Confidential Information, including, without limitation (i) not revealing the Confidential Information to unauthorized parties; (ii) requiring its franchisees to acknowledge and agree in writing that the Confidential Information is confidential; (iii) requiring its franchisees to agree in writing to maintain the confidentiality of the Confidential Information; (iv) monitoring electronic access to the Confidential Information by the use of passwords and other restrictions so that electronic access to the Confidential Information is limited to authorized parties; and (v) requiring its franchisees to return all Confidential Information to Franchisor upon the expiration or termination of their Franchise Agreements.

8.3 Maintain Confidentiality. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Area Developer shall not, during the Term of this Agreement or thereafter, communicate, divulge, or use for the benefit of anyone else, any information that Franchisor considers its trade secrets and/or Confidential Information. Area Developer shall divulge such Confidential Information only to its supervisorial or managerial personnel who must have access to it in order to perform their employment responsibilities.

8.4 Irreparable Injury from Disclosure of Confidential Information. Area Developer acknowledges that failure to comply with the requirements of this Section 8 will result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Area Developer consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Section 8.

8.5 Confidentiality Covenants from Individuals Associated with Area Developer. Area Developer shall require any supervisorial or managerial personnel who may have access to any Confidential Information of Franchisor to execute covenants that they will maintain the confidentiality of the Confidential Information they receive in connection with their association with Area Developer. Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third- party beneficiary of such covenants with the independent right to enforce them.

9. TRANSFER OF INTEREST

9.1 Transfer by Franchisor.

9.1.1 Franchisor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal Entity without the consent or approval of Area Developer. With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor's obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment. Franchisor and or its Affiliates may sell their assets, the Spitz Marks, or the Spitz System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake

a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring (collectively, a "Capital Event"), all without the consent or approval of Area Developer. In connection with any of the foregoing, at Franchisor's request, Area Developer shall deliver to Franchisor a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement as modified is in full force and effect and identifying the modifications); (b) that Area Developer is not in default under any provision of this Agreement, or if in default, describing the nature thereof in detail; (c) as to such other matters as Franchisor may reasonably request; and (d) Area Developer agrees that any such statements may be relied upon by Franchisor and any prospective purchaser, assignee or lender of Franchisor.

9.1.2 Upon the occurrence of a Capital Event, Franchisor shall have the right (the "Take- Along Right") to compel Area Developer to sell and, in such event, Area Developer shall sell the assets of any or all of the Spitz Restaurants, regardless of whether such Spitz Restaurants are under construction or are Open and operating (collectively the "Take-Along Assets") at the same value attributable to Spitz Restaurants owned and operated by Franchisor or its Affiliates at the closing of a Capital Event. Franchisor shall exercise this Take-Along Right to compel the sale of the Take-Along Assets by Area Developer by providing Area Developer with written notice (the "Take-Along Notice") setting forth the time and place of the closing of the Capital Event, which time and place shall not be less than thirty (30) days after the date of the Take-Along Notice, and the expected price and form of consideration to be paid for the Take-Along Assets at the closing.

9.2 Assignment by Area Developer. Area Developer acknowledges and agrees that the rights granted to Area Developer under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Area Developer and, if Area Developer is an Entity, that of the Owners. Accordingly, to protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, Area Developer shall not offer, sell, or negotiate the sale of its rights under this Agreement to any third party, either in Area Developer's own name or in the name and/or on behalf of Franchisor, except as otherwise provided in this Agreement. Area Developer acknowledges and agrees that Area Developer has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly (i) any interest in this Agreement; or (ii) the right to use the Spitz System or the Spitz Marks granted pursuant to this Agreement (an "Assignment") without Franchisor's prior written consent. Franchisor shall not unreasonably withhold its consent to an Assignment if, in Franchisor's judgment, Area Developer satisfies the conditions to the Assignment identified in this Agreement.

9.2.1 Unless the Parties otherwise agree in writing, Area Developer shall not make any Assignment of this Agreement except in conjunction with a concurrent Assignment to the same approved assignee of all Spitz Restaurants then owned and operated by Area Developer in the Development Area. As a condition to Franchisor's consent to such an Assignment, the assignee must execute Franchisor's Then- Current form of Franchise Agreement for each Spitz Restaurant sold to the assignee. Further, without Franchisor's prior written consent, which may be withheld by Franchisor in its discretion (i) Area Developer shall not offer for sale or transfer at public or private auction any of the rights of Area Developer under this Agreement; and (ii) Area Developer shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever. To the extent that the foregoing prohibition may be ineffective under Applicable Law, Area Developer shall provide not less than ten (10) days prior written notice (which notice shall contain the name and address of the secured party and the terms of such pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

9.2.2 For purposes of this Agreement, each of the following events is an Assignment subject to the conditions to transfer identified in this Agreement: (i) the death or incapacity of any Owner; (ii) the offer or sale of securities of Area Developer pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum; (iii) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than twenty percent (20%) in the aggregate, whether in one or more transactions, of the Equity or voting power of Area Developer, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of Area Developer; (iv) the issuance of any securities by Area Developer which itself or in combination with any other transactions results in the Owners, as constituted on the Execution Date, owning less than forty percent (40%) of the outstanding Equity or voting power of Area Developer; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Area Developer, however effected. Area Developer shall promptly provide Franchisor with written

notice (stating such information as Franchisor may then require) of each and every transfer, assignment and encumbrance by any Area Developer Owner of any direct or indirect Equity or voting rights in Area Developer, notwithstanding that the same may not constitute an Assignment as defined under this Article 9.

9.2.3 Neither Franchisor's right of first refusal nor the other conditions of Assignment shall apply to a transfer by Area Developer of all of Area Developer's rights under this Agreement to a newly- formed corporation, limited liability company or other business Entity provided all of the Equity or voting interests of the new business Entity are owned by the same Owners (a "Qualified Assignment"). Any attempted Assignment which fails to comply with the requirements of this Article 9 shall be null and void and shall constitute a Default under this Agreement.

9.3 Right of First Refusal. Except with respect to a Qualified Assignment, if Area Developer or an Owner receive a bona fide written offer ("Third Party Offer") from a third party (the "Proposed Buyer") to purchase or otherwise acquire any interest in Area Developer which will result in an Assignment within the meaning of this Agreement, Area Developer or the Proposed Buyer, shall, within five (5) days after receiving the Third Party Offer and before accepting it, apply to Franchisor in writing for Franchisor's consent to the proposed Assignment. To constitute a bona fide written offer, the Third Party Offer must also apply to all of the Spitz Restaurants then owned and operated by Area Developer in the Development Area.

9.3.1 Area Developer, or the Proposed Buyer, shall attach to its application for consent to complete the transfer a copy of the Third Party Offer together with (i) information relating to the proposed transferee's experience and qualifications; (ii) a copy of the proposed transferee's current financial statement; and (iii) any other information material to the Third Party Offer, proposed transferee and proposed assignment or that Franchisor requests.

9.3.2 Franchisor or its nominee shall have the right, exercisable by written notice ("Purchase Notice") given to Area Developer or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Area Developer or the Proposed Buyer that it will purchase or acquire the rights, assets, Equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Franchisor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer, and (ii) deduct from the purchase price the amount of all amounts then due and owing from Area Developer to Franchisor under this Agreement or otherwise.

9.3.3 If Franchisor or its nominee elects to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing shall take no later than sixty (60) days following the date that the Purchase Notice was issued by Franchisor.

9.3.4 If Franchisor does not elect to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Area Developer. If there is any material change in the terms of the Third Party Offer before the closing of the sale, Franchisor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 9.3.

9.4 Conditions of Assignment to Third Party.

9.4.1 As a condition to obtaining Franchisor's consent to an Assignment, all of the following conditions must be satisfied: The Proposed Buyer must submit a completed franchise application to Franchisor and meet Franchisor's Then-Current qualifications for new Spitz Area Developers, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation.

9.4.2 Area Developer must be in Good Standing on the date consent is requested and until the date of closing of the Assignment.

9.4.3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Franchisor, the Proposed Buyer will be unlikely to meet the Proposed Buyer's

financial and other obligations to Franchisor, third party suppliers and creditors following the closing. Franchisor shall have no liability to either Area Developer or the Proposed Buyer if Franchisor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties.

9.4.4 The Proposed Buyer must sign Franchisor's Then-Current form of Area Development Agreement, the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects. In exchange for signing the Then- Current Area Development Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement, as modified by the terms of the Then-Current form of Area Development Agreement. If Franchisor is not offering new area development franchises, is in the process of revising, amending or renewing Franchisor's form of Area Development Agreement or Disclosure Document or is not lawfully able to offer Franchisor's Then-Current form of Area Development Agreement at the time of an Assignment, Franchisor may offer to amend this Agreement, upon terms and conditions that will be established by Franchisor and the Proposed Buyer at that time, or may offer to amend the term of this Agreement on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as Franchisor deems necessary or appropriate so that Franchisor may subsequently offer and utilize a Then- Current form of Area Development Agreement.

9.4.5 Area Developer will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature, survive the transfer, termination or expiration of this Agreement, including, without limitation, the provisions prohibiting competition, non-interference and non- disclosure of Confidential Information.

9.4.6 Area Developer and the Proposed Buyer shall execute a General Release in a form acceptable to Franchisor.

9.4.7 Area Developer shall pay Franchisor the sum of $7,500 as a transfer fee to apply against Franchisor's administrative and other costs to process the Assignment.

9.4.8 Area Developer must simultaneously transfer its rights all contracts for which continuation is necessary for operation of the Spitz Restaurants to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the transfer of Area Developer's rights to the Proposed Buyer. The Proposed Buyer must execute all other documents and agreements required by Franchisor to consummate the Assignment. All required third party consents to the Assignment must be obtained. If the Proposed Buyer is a corporation, limited liability company or other business Entity, each person who at the time of the Assignment, or later, owns or acquires, either legally or beneficially, twenty percent (20%) or more of the Equity or voting interests of the Proposed Buyer must execute a Guarantee in a form acceptable to Franchisor.

9.4.9 Area Developer's right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Franchisor and its Affiliates under, or pursuant to, this Agreement or any other agreement. All contracts by and between Area Developer and the Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Area Developer only after any outstanding obligations owed to Franchisor and its Affiliates are fully satisfied.

9.4.10 Except when the transferee is an existing Area Developer or franchisee of Franchisor, the Proposed Buyer, and a supervisorial or managerial employee of the Proposed Buyer who will have general management and supervisory responsibilities for the Spitz Restaurants who is acceptable to Franchisor, must complete to Franchisor's sole satisfaction Franchisor's Initial Training Program prior to the effective date of the Assignment.

9.4.11 The Proposed Buyer must conform the Spitz Restaurants with Franchisor's Then- Current appearance and design standards and equipment specifications applicable to new Spitz Restaurants.

9.4.12 Area Developer, as transferor, shall execute a continuing guarantee in favor of Franchisor of the performance and payment by Proposed Buyer, as transferee, of all obligations and debts to Franchisor and its affiliates under the new Area Development Agreement.

9.5 Death or Incapacity. In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated person, or the remaining shareholders, members, partners or owners (the "Successor") shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated person; or (ii) complete an Assignment of the interest of the deceased or incapacitated person to a qualified, approved third party, subject to the provisions of this Article 9. If a Successor has not purchased the interest of the deceased or incapacitated person or completed an Assignment of the interest of the deceased or incapacitated person to a qualified, approved third party within one hundred eighty (180) days from the date of death or incapacity, Franchisor may terminate this Agreement.

9.6 Restriction on Private Securities. Securities, partnership or other ownership interests in Area Developer may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended, or any comparable federal, state or foreign law, rule or regulation. Such interests may be offered by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld. All materials required for any private offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to Franchisor for review prior to use. No offering by Area Developer shall imply that Franchisor is participating in an underwriting, issuance or offering of securities of Area Developer or Franchisor, and Franchisor's review of any offering materials shall be limited solely to the subject of the relationship between Area Developer and Franchisor, and its Affiliates. Franchisor may, at its option, require Area Developer's offering materials to contain a written statement prescribed by Franchisor concerning the limitations described in the preceding sentence. Area Developer, its Owners and other participants in the offering must fully agree in writing to defend and indemnify Franchisor, its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any documentation required by Franchisor to further evidence this indemnity. For each proposed private offering, Area Developer shall pay to Franchisor a non-refundable fee of $10,000, which shall be in addition to any Transfer Fee under any Franchise Agreement and/or Development Agreement or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation, legal and accounting fees. Area Developer shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Article.

10. TRANSFER BY AREA DEVELOPER IN BANKRUPTCY

If, for any reason, this Agreement is not terminated pursuant to Section 11.1 and this Agreement is assumed, or Assignment of the same to any person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption, setting forth (a) the name and address of the proposed assignee; and (b) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Franchisor within twenty (20) days after receipt of the proposed assignee's offer to accept Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption, and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Area Developer out of the consideration to be paid by the assignee for the Assignment of this Agreement.

11. DEFAULT AND TERMINATION

11.1 Termination In the Event of Area Developer's Bankruptcy or Insolvency. Area Developer shall be deemed to be in Default under this Agreement, and all rights granted to Area Developer of this Agreement shall automatically terminate without notice to Area Developer, (i) if Area Developer or its Principal Owner becomes insolvent or makes a general assignment for the benefit of creditors; (ii) if a petition in bankruptcy is filed under the United States Bankruptcy Act by Area Developer or its Principal Owner or such a petition is filed against and not opposed by Area Developer or its Principal Owner; (iii) if Area Developer or its Principal Owner is adjudicated as bankrupt or insolvent; (iv) if a bill in equity or other proceeding for the appointment of a receiver of Area Developer

or its Principal Owner or other custodian for any Spitz Restaurants is filed and consented to by Area Developer or its Principal Owner; (v) if a receiver or other custodian (permanent or temporary) of Area Developer's or its Principal Owner's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; (vi) if proceedings for a composition with creditors under any Applicable Law is instituted by or against Area Developer or its Principal Owner; (vii) if a final judgment in excess of $100,000 against any Spitz Restaurants remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); (viii) if Area Developer or its Principal Owner admits Area Developer or its Principal Owner is unable to generally pay Area Developer's or its Principal Owner's debts as they become due; (ix) if execution is levied against any Spitz Restaurant or property; (x) if suit to foreclose any lien or mortgage against any Spitz Restaurant or the equipment of any Spitz Restaurant is instituted against Area Developer or its Principal Owner and not dismissed within thirty (30) days; or (xi) if any Spitz Restaurant shall be sold after levy thereupon by any sheriff, marshal, or constable.

11.2 Termination With Notice and Without Opportunity to Cure. Area Developer shall be in Default under this Agreement, and Franchisor may, at its option, terminate this Agreement and all rights granted under this Agreement, without affording Area Developer any opportunity to cure the Default, effective immediately upon receipt of notice by Area Developer (i) if Area Developer or an Owner is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the Spitz System, the Spitz Marks, the goodwill associated therewith, or Franchisor's interest therein; (ii) if Area Developer fails to comply with the Development Schedule; (iii) if any of the Franchise Agreements or any other agreement between Area Developer and Franchisor or its Affiliates are terminated due to a breach or Default by Area Developer; (iv) if any assignment or transfer of any direct or indirect interest in this Agreement, in the Spitz Restaurants, or in all or substantially all of Area Developer's assets is made to any third party by Area Developer or an Owner without Franchisor's prior written consent; (v) if any transfer of the Equity ownership interests of Area Developer or an Owner is made to any third party without Franchisor's prior written consent; (vi) if Area Developer or an Owner discloses or divulges the contents of Franchisor's Manuals, Trade Secrets or other Confidential Information provided to Area Developer by Franchisor; (vii) if an approved Assignment, as required by Section 9.5, is not effected within the time provided following death or incapacity of an Owner; (viii) if Area Developer or an Owner fails to comply with the covenants in Article 13 or fails to obtain execution of and deliver the covenants required under Section 13.7; (ix) if Area Developer or an Owner has made any material misrepresentations in connection with their application to Franchisor for the development rights granted by this Agreement; (x) if Area Developer or an Owner, after curing a Default pursuant to Section 11.3, commits the same, similar, or different Default, whether or not cured after notice; (xi) if any Owner fails or refuses to deliver to Franchisor, within ten (10) days after Franchisor's written request, a Guarantee in substantially the form attached to this Agreement as Exhibit C and current financial statements as may then be requested by Franchisor in its sole discretion; (xii) if Area Developer, an Owner or an Affiliate fails to comply with any or all of the terms of this Agreement, or any other agreement between Franchisor, or its Affiliates, and Area Developer or an Owner beyond the applicable cure period; (xiii) upon a breach of Area Developer's obligations under this Agreement or any other agreement between Area Developer and Franchisor, which by its nature is not capable of being cured by Area Developer; (xiv) if funding promised or otherwise represented to be made available to Area Developer or its Owners on the condition that Area Developer sign this Agreement is not made available to Area Developer or its Owners within ten (10) business days after Area Developer signs this Agreement; (xv) if, in Franchisor's Business Judgment, Franchisor has grounds to believe that Area Developer or any of its Owners, officers, directors, or key employees has engaged or attempted to engage, through one or more affirmative acts or a failure to act, in any fraudulent, dishonest, unethical, immoral, or similar conduct in connection with Area Developer's development of Spitz Restaurants, whether such conduct is directed at or reasonably expected to impact Area Developer's development of Spitz Restaurants, the System, the Franchisor or its Affiliates, suppliers, other area developers, or another third party; or (xvi) if, in Franchisor's Business Judgment, Franchisor has grounds to believe that Area Developer or any of its Owners, officers, or directors has engaged in any lewd or immoral conduct, whether or not in connection with Area Developer's development of Spitz Restaurants.

11.3 Termination With Notice and Opportunity to Cure. Except as provided in Sections 11.1 and 11.2, Area Developer shall have thirty (30) days after its receipt of written notice from Franchisor within which to remedy any Default under this Agreement and to provide evidence thereof to Franchisor. If any such Default is not cured within the specified time, or such longer period as Applicable Law may require, this Agreement shall terminate without further notice to Area Developer effective immediately upon expiration of the thirty (30) day period or such longer period as Applicable Law may require. Area Developer shall be in Default pursuant to this Section 11.3 for failure to substantially comply with any of the requirements imposed by this Agreement, as it may time reasonably be modified

or supplemented by the Manuals at any time by Franchisor, or for failure to carry out the terms of this Agreement in good faith.

11.4 Options At Termination. Upon any Default under Sections 11.2 or 11.3, Franchisor may immediately take any one or more of the following actions, by written notice to Area Developer: (i) terminate this Agreement and all rights granted to Area Developer under this Agreement; (ii) accelerate or decelerate the Development Schedule; (iii) reduce the Minimum Development Obligation; (iv) eliminate or diminish Area Developer's rights with respect to the Development Area or the size of the Development Area; or (v) increase the fees to be paid by Area Developer to Franchisor.

11.5 Cross-Default. Any Default by Area Developer under the terms and conditions of this Agreement, any Franchise Agreement, or any other agreement between Franchisor or its Affiliates, and Area Developer, shall be deemed to be a Default of each and every other such agreement. In the event of the termination of this Agreement for any cause, or the termination of any other agreement between Franchisor, or its Affiliates, and Area Developer, Franchisor may, at its option, terminate any or all of such other agreements.

12. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted under this Agreement to Area Developer shall forthwith terminate, and the following provisions shall apply:

12.1 No Right to Open Additional Franchised Businesses. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, upon termination or expiration of this Agreement: (i) Area Developer shall have no further right to develop any Spitz Restaurants; (ii) Area Developer shall have no further rights or obligations under this Agreement or the Spitz Franchise Agreements that were terminated; (iii) Area Developer shall have the right to continue to own and operate all Spitz Restaurants Opened by Area Developer prior to the termination date under Franchise Agreements with Franchisor that remain in full force and effect on the termination date; and (iv) Franchisor may thereafter develop, open and operate, and grant franchises to third parties to develop, open and operate Spitz Restaurants at any location within or outside of the Development Area, without restriction.

12.2 Purchase Spitz Restaurants Assets. Upon the expiration of this Agreement or the termination of this Agreement for any Default of Area Developer, Franchisor shall have the option, to be exercised by written notice to Area Developer within thirty (30) days after the Expiration Date or Termination Date, to purchase the assets of any or all of the Spitz Restaurants, regardless of whether such Spitz Restaurants are under construction or are open and operating, and all of assets of Area Developer related to the Spitz Restaurants that Franchisor elects to purchase (collectively the "Spitz Restaurants Assets"). The purchase price for the Assets (the "Purchase Price") shall be the "Fair Market Value" of the Spitz Restaurants Assets as determined under this Section 12.2. "Fair Market Value" means the price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable knowledge of the relevant facts on the date the option is first exercisable (the "Exercise Date"). Franchisor and Area Developer shall use their best efforts to mutually agree upon the Fair Market Value. If they are unable to so agree within thirty (30) days after the Exercise Date, Franchisor shall appoint, within forty (40) days of the Exercise Date, one (1) appraiser, and Area Developer shall appoint within forty (40) days of the Exercise Date, one (1) appraiser. The two (2) appraisers shall within a period of five (5) additional days, agree upon and appoint an additional appraiser. The three (3) appraisers shall, within sixty (60) days after the appointment of the third appraiser, determine the Purchase Price in writing and submit their report to Franchisor and Area Developer. The Purchase Price shall be determined by disregarding the appraiser's valuation that diverges the greatest from each of the other two (2) appraisers' valuations, and the arithmetic mean of the remaining two (2) appraisers' valuations shall be the Purchase Price. Franchisor and Area Developer shall each pay for the services of the appraiser they select, plus one half (1/2) of the fee charged by the third appraiser, and one half (1/2) of all other costs relating to the determination of the Purchase Price. The Purchase Price as so determined shall be payable as Franchisor and Area Developer mutually agree. If they are unable to so agree within ten (10) days after final determination of the Purchase Price, fifty percent (50%) of the Purchase Price shall be payable in cash and the remaining fifty percent (50%) of the Purchase Price shall be paid in eighty-four (84) equal monthly payments and shall bear interest at a rate equal to the greater of the prime rate of interest, as published by the Western Edition of the Wall Street Journal, plus three percent (3%), OR ten percent (10%) per annum, but in no event in excess of the maximum rate permitted by Applicable Law. Payment of the portion

of the Purchase Price not paid in cash shall be secured by a security interest in the Spitz Restaurants Assets. Any purchase of the Spitz Restaurants Assets shall include the assumption by Franchisor and the assignment by Area Developer, of all Leases for the Spitz Restaurant that Franchisor elects to purchase.

12.3 Irreparable Injury to Franchisor. Area Developer agrees and acknowledges that Area Developer's failure to comply with the provisions of Section 12.2 will result in irreparable harm to Franchisor and to the Spitz Marks, and Area Developer agrees to pay all damages, expenses, court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against violation of, and/or damages resulting from a violation of, the requirements of Section 12.2.

12.4 Payment of Monies Due. Upon expiration or termination of this Agreement, Area Developer shall promptly pay all sums owing to Franchisor and its Affiliates. If this Agreement is terminated because of a Default by Area Developer, such sums also shall include all damages, costs, and expenses, including attorneys' fees, incurred by Franchisor as a result of the Default. Franchisor shall have the right to set off any amounts which Franchisor deems are payable to Franchisor by Area Developer.

12.5 Return of Materials and Other Confidential Information. Upon termination or expiration of this Agreement, Area Developer shall immediately deliver to Franchisor the Manuals and all other records, files, and any instructions containing Confidential Information which are in Area Developer's possession and all copies thereof (all of which are acknowledged and agreed to be the property of Franchisor).

13. COVENANTS

13.1 No Prior Experience, Information or Knowledge. Area Developer specifically acknowledges and agrees that prior to becoming an area developer of Franchisor, Area Developer had no experience, information or knowledge whatsoever about an upscale quick-service Mediterranean style restaurant or a Spitz Restaurant and that Area Developer's knowledge of the Confidential Information was obtained solely from Franchisor, following Area Developer's training by Franchisor and Franchisee's subsequent operation of the Spitz Restaurant under the Franchise Agreement. Area Developer specifically acknowledges that, pursuant to this Agreement, Area Developer will receive valuable specialized training and Confidential Information, including, without limitation, Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Spitz System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy.

13.2 Non-Competition During Term of Agreement. Area Developer and each Owner covenants that during the Term, except as otherwise approved in writing by Franchisor, Area Developer and each Owner shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, or legal Entity (i) divert or attempt to divert any present or prospective Spitz customer to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Spitz Marks and the Spitz System; or (ii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business, provided, however, the restrictions stated in this Section 13.2 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Area Developer.

13.3 Non-Competition After Expiration or Termination of Agreement. Except as Franchisor otherwise approves in writing, commencing upon the date of: (i) an Assignment permitted under Article 9; (ii) the Expiration Date of this Agreement; (iii) the termination of this Agreement (regardless of the cause for termination); or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 13.3, and continuing for an uninterrupted period of two (2) years thereafter, Area Developer and each Owner shall not, own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business located at a location designated as a "Franchised Location" in a Franchise Agreement between Franchisor, as franchisor, and Area Developer, or an Affiliate or Owner of Area Developer, as franchisee, except in accordance with the terms of an effective Franchise Agreement between Franchisor, as franchisor, and Area

Developer, or an Affiliate or Owner of Area Developer, as franchisee, or any location within a twenty (20) mile radius of any Spitz Restaurant or a Franchised Location, as defined above; provided, however, the restrictions stated in this Section 13.3 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Area Developer in the Development Area.

13.4 Exceptions to Non-Compete Covenants. Sections 13.2 and 13.3 shall not apply to ownership by Area Developer or an Owner of a less than five percent (5%) beneficial interest in the outstanding equity securities of any Competitive Business registered under the Securities Act of 1833 or the Securities Exchange Act of 1834.

13.5 Reducing Scope of Covenants. Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 13.2 and 13.3, or any portion thereof, without Area Developer's consent, effective immediately upon receipt by Area Developer of written notice thereof, and Area Developer agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

13.6 Enforceability of Covenants Not Affected by Area Developer Claims. The existence of any claims Area Developer may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Article 13. Area Developer shall pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Article 13.

13.7 Covenants from Individuals. Area Developer shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Article 13 (including covenants applicable upon the termination of a person's relationship with Area Developer) from all Owners. Every covenant required by this Section 13.7 shall be in a form acceptable to Franchisor, and shall include, without limitation, a designation of Franchisor as a third party beneficiary of the covenants with the independent right to enforce them.

13.8 Breach of Covenants Causes Irreparable Injury. Area Developer acknowledges that the violation of any covenant in this Article 13 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Area Developer consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to such conduct or action.

13.9 Effect of Applicable Law. In the event any portion of the covenants in this Article 13 violates laws affecting Area Developer, or is held invalid or unenforceable in a final judgment to which Franchisor and Area Developer are parties, then the maximum legally allowable restriction permitted by Applicable Law shall control and bind Area Developer. The provisions of this Article 13 shall be in addition to and not in lieu of any other confidentiality obligation of Area Developer, or any other person, whether pursuant to another agreement or pursuant to Applicable Law.

13.10 Survival. The provisions of this Article 13 shall survive the expiration and termination of this Agreement and shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or the Spitz Marks, the Spitz System, the Confidential Information, the Trade Secrets, or any other proprietary aspects of Franchisor's business.

14. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14.1 No Fiduciary Relationship. This Agreement does not create a fiduciary relationship between the Parties. Area Developer shall be an independent contractor, and nothing in this Agreement is intended to constitute or appoint either Party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

14.2 Public Notice of Independent Status. Area Developer shall conspicuously identify itself in all dealings with its customers, contractors, suppliers, public officials, and others, as an independent Area Developer of

Franchisor, and shall place such notice of independent ownership on all forms. Franchisor shall have the right to specify the language of any such notice.

14.3 Independent Contractor. Area Developer acknowledges and agrees that it is not authorized to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligations in Franchisor's name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, nor shall Franchisor be liable by reason of any act or omission of Area Developer in its conduct of the operation of the Spitz Restaurants or for any claim or judgment arising therefrom against Area Developer or Franchisor.

14.4 Indemnification. Area Developer and its Owners and Affiliates (collectively, the "Indemnitors") shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor, its Affiliates and their respective directors, officers, employees, shareholders and agents (collectively, the "Indemnitees"), from any and all "Losses and Expenses" incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, and regardless of whether the same is between Indemnitors and Indemnities (collectively, an "Indemnifiable Claim") which arises directly or indirectly from, as a result of, or in connection with Area Developer's operation of a Spitz Restaurant and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Area Developer; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Franchisor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 14.4 shall extend to any finding of comparative negligence or contributory negligence attributable to Area Developer). For the purpose of this Section 14.4, the term "Losses and Expenses" shall mean and include compensatory, exemplary, or punitive damages, fines and penalties, attorneys' fees, experts' fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party's reputation and goodwill, and all other costs associated with any of the foregoing Losses and Expenses.

14.4.1 The Indemnitees shall give the Indemnitors prompt notice of any Indemnifiable Claim of which the Indemnitees are aware for which indemnification is required under this Section 14.4. The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a "Third Party Claim") or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a "Direct Claim"), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known. If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees' failure to give such notice on a timely basis.

14.4.2 With respect to Third Party Claims, the Indemnitors shall have the right, at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice. The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors' receipt of notice of a Third Party Claim. If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors' sole expense. The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees' behalf, at the Indemnitees' sole expense, unless the Indemnitors consent to the retention of the Indemnitees' counsel at the Indemnitors' expense or unless the Indemnitors and the Indemnitees are both named in any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses).

14.4.3 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim. If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnitees may make such payment and the Indemnitors shall, within thirty (30) days after demand by the Indemnitees, reimburse the

Indemnitees for the amount of the payment. If the Indemnitees' liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors.

14.4.4 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent, settle or pay the amount claimed. Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which consent shall not be unreasonably withheld or delayed. The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they becomes available).

14.4.5 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request. If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim. If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in Article 15.

14.4.6 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses.

15. DISPUTE RESOLUTION

15.1 Judicial Relief. The Parties agree that all disputes arising out of or relating to this Agreement of the franchise relationship shall be brought in the state or federal courts located in Salt Lake City, Utah, or the United States District Court for the District of Utah. To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts. Delaware law shall govern the construction, interpretation, validity and enforcement of this Agreement, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event federal law shall govern. In the event of any conflict of law, the laws of Delaware shall prevail, without regard to the application of Delaware conflict of law rules. Nothing in this Section 15.1 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of any state to which it would not otherwise be subject. Notwithstanding the foregoing, if a third party files an action against the Parties in a different court, the Parties may assert cross claims, counterclaims and defenses in such third party action as may be necessary without regard to the exclusive jurisdiction and venue selection in this Section.

15.2 Waivers. The Parties agree, to the extent permitted by Applicable Law, that any legal action of any kind by either Party arising out of or relating to this Agreement or its breach must be commenced by no later than the last to occur of the following: (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability; or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability. Franchisor and Area Developer, for themselves, and for and on behalf of the Franchisor Owners and the Owners, respectively, hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, Franchisor and Area Developer shall each be limited to recovering only the actual damages proven to have been sustained by that Party, except as provided in Section 15.5.

15.3 Specific Performance. Franchisor and Area Developer acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced, and for this reason, Franchisor and Area Developer agree that the provisions of this Agreement shall be specifically enforceable. Franchisor and Area Developer further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for

in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Franchisor or Area Developer might otherwise have.

15.4 Attorneys' Fees. In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of, or in connection with, this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys' fees and costs in addition to any other relief that may be awarded by a court of competent jurisdiction.

15.5 Exclusive Remedy. In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld, conditioned or delayed any consent, approval or authorization required under this Agreement. Each Party waives any such claim for damages. Neither Party may claim any such damages by way of setoff, counterclaim or defense. Each Party's sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment.

16. ANTI-TERRORISM LAWS

Area Developer shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war (the "Anti-Terrorism Laws"). In connection with its compliance, Area Developer certifies, represents and warrants that none of Area Developer's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Area Developer is not otherwise in violation of any of the Anti- Terrorism Laws. Any violation of the Anti-Terrorism Laws by Area Developer or Area Developer's employees or any "blocking" of Area Developer's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Area Developer has entered into with Franchisor or any of its Affiliates, in accordance with the provisions of Section 11.2.

17. NOTICES

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail. Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid. Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party:

Notices to Franchisor:

Radwick Franchising, LLC
12300 S. 62 E
Draper, Utah 84020
Attention: President

Notices to Area Developer:

_____
_____
_____
_____
Attention: _____

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party.

18. ACKNOWLEDGMENTS

18.1 Waiver and Delay. No waiver by Franchisor of any Default, or series of Defaults in performance by Area Developer, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it hereunder or under any agreement between Franchisor and Area Developer, whether entered into before, after or contemporaneously with the execution of this Agreement, or to insist upon strict compliance with or performance of Area Developer's obligations under this Agreement or any Franchise Agreement or other agreement between Franchisor and Area Developer, whether entered into before, after or contemporaneously with the execution of this Agreement, shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

18.2 Survival of Covenants. The covenants contained in this Agreement which, by their nature or terms, require performance by the Parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

18.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Area Developer and its or their respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained in this Agreement.

18.4 Joint and Several Liability. If Area Developer consists of more than one Owner, the obligations and liabilities of each person or Entity to Franchisor are joint and several.

18.5 Entire Agreement. This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement. No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Agreement and Area Developer agrees that it has executed this Agreement without reliance upon any representation or promise not included in this Agreement. This Agreement cannot be modified or changed except by written instrument signed by both of the Parties. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in the franchise disclosure document.

18.6 Titles and Recitals. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement. The Recitals set forth in Recitals A through F of this Agreement are true and correct and are hereby incorporated by reference into the body of this Agreement.

18.7 Gender and Construction. The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require. As used in this Agreement, the words "include," "includes" or "including" are used in a non- exclusive sense. Unless otherwise expressly provided in this Agreement to the contrary, any consent, approval, acceptance or authorization of Franchisor or Area Developer that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval, acceptance or authorization has been requested. To protect the Spitz System, the Spitz Marks, the Spitz Trade Secrets and the goodwill associated with the same, on any occasion where Franchisor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Franchisor's standards or satisfaction, Franchisor may do so in its sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties. Franchisor and Area Developer intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

18.8 Severability; Modification. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail, but in that event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

18.9 Counterparts and Electronic Transmission; Electronic Copies. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits.

18.10 Time of the Essence. Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

18.11 Acceptance of Conditions. Area Developer has read this Agreement and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Franchisor's standards of service and quality and the uniformity of those standards at all Spitz in order to protect and preserve the Spitz System and the goodwill of the Spit z Marks.

18.12 Independent Investigation. Area Developer has conducted an independent investigation of the business contemplated by this Agreement. Area Developer recognizes that the Spitz System may evolve and change over time, that an investment in this franchise involves business risks, and that the success of the investment depends upon Area Developer's business ability and efforts.

18.13 Counsel. The Parties acknowledge and agree that each Party has been represented by independent legal counsel their choice in connection with this Agreement or has had the opportunity to have legal counsel review this Agreement and advise the Party regarding the same, but has voluntarily chosen not to do so.

18.14 Reliance. Area Developer has not received or relied upon any promise or guarantee, express or implied, about the revenues, profits or success of the business venture contemplated by this Agreement.

18.15 Business Judgment. Notwithstanding any provision in this Agreement to the contrary, Area Developer and the Owners acknowledge and agree that:

18.15.1 This Agreement (and the relationship of the Parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions or refrain from taking actions not inconsistent with the explicit rights and obligations of Area Developer and the Owners hereunder that may affect Area Developer and the Owners' interests favorably or adversely. Franchisor shall use its Business Judgment in exercising such discretion based on its assessment of its own interests and balancing those interests against the interests, promotion, and benefit of the Spitz System and other Spitz area developers, Spitz Restaurants generally, and specifically without considering the individual interests of Area Developer or the Owners or the individual interests of any other Spitz area developer. Area Developer and the Owners acknowledge and agree that Franchisor shall have no liability to Area Developer or the Owners for the exercise of its discretion in this manner; and even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification, no trier of fact in any legal action shall substitute his or her judgment for Franchisor's judgment so exercised and no such action or decision shall be subject to challenge for abuse of discretion. If Franchisor takes any action or Franchisor chooses not to take any action in its discretion with regard to any matter related to this Agreement and its actions or inaction are challenged for any reason, the Parties expressly direct the trier of fact to find that Franchisor's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of its discretion, without regard to

whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

18.15.2 In granting its approval of the Franchised Locations, designating suppliers, setting standards and the like, Franchisor shall exercise its Business Judgment. However, in the exercise of its Business Judgment, Franchisor shall not be liable to Area Developer or the Owners or anyone else, if Franchisor's exercise of its Business Judgment results in a business loss or if the products or services provided fail to meet the expectations of Franchisor, Area Developer, the Owners or other parties. Franchisor disclaims all warranties and liability for the acts or omissions of any contractors, vendors, suppliers, products or employees which Area Developer uses, purchases, retains or hires pursuant to Franchisor's exercise of its Business Judgment.

18.16 No Representations. No representations have been made by Franchisor or its Affiliates or their respective officers, directors, shareholders, employees or agents that are contrary to the terms contained in this Agreement. Area Developer shall remain duly organized and in Good Standing for as long as this Agreement is in effect.

18.17 Atypical Arrangements. Area Developer acknowledges and agrees that Franchisor may modify the offer of its franchises to other Spitz area developers and franchisees in any manner and at any time, which offers have or may have terms, conditions, and obligations which may differ from the terms, conditions, and obligations in this Agreement. Area Developer further acknowledges and agrees that Franchisor has made no warranty or representation that area development agreements or franchise agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Agreements previously executed or executed after the date of this Agreement with other Spitz area developers and franchisees in a non-uniform manner.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

FRANCHISOR:

RADWICK FRANCHISING, LLC
A Delaware limited liability company

By:_____
Name:_____
Title:_____

AREA DEVELOPER:

(IF AREA DEVELOPER IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP_:

_____
[Print Name of Franchisee Entity]

By:_____
Name:_____
Title:_____

AND

(IF AREA DEVELOPER IS AN INDIVIDUAL)

_____
Print Name

_____
Signature

_____
Print Name

_____
Signature

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT A
ENTITY INFORMATION DISCLOSURE

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT A
ENTITY INFORMATION DISCLOSURE

Area Developer represents and warrants that the following information is accurate and complete in all material respects:

(1) Area Developer is a (check as applicable):

[ ] corporation
[ ] limited liability company
[ ] general partnership
[ ] limited partnership
[ ] Other (specify): _____

State of incorporation/organization: _____

Area Developer Name: _____

Federal Tax ID#: _____

(2) Area Developer shall provide to Franchisor concurrently with the execution of this Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution of this Agreement and any amendments to the foregoing (the "Entity Documents").

(3) Area Developer promptly shall provide all additional information as Franchisor may then request concerning all persons who may have any, direct or indirect, financial interest in Area Developer.

(4) The name, contact information and ownership interest percentage or units/shares owned of each Owner is:

Name	**Address**	**Email**	**Ownership**

(5) The names, addresses and titles of the Owners who will be devoting their full time to the Area Developer business are:

NAME	**ADDRESS**	**TITLE**

(6) The address where Area Developer's financial records and Entity Documents are maintained is: _____.

(7) The Principal Owner is _____.

(8) Area Developer represents and warrants to Franchisor, as an inducement to Franchisor's execution of the Area Development Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Area Developer shall provide Franchisor with all additional information Franchisor may request with respect to the Owners and the ownership of Area Developer. In addition, Area Developer shall notify Franchisor within ten (10) days of any change in the information set forth in the Entity Information Disclosure and shall provide Franchisor with a revised Entity Information Disclosure certified by Area Developer to be true, correct and complete in all material respects. Franchisor grants Area Developer the rights in this Agreement in reliance upon each and all of the terms of the Entity Information Disclosure.

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on the Effective Date.

FRANCHISOR:

RADWICK FRANCHISING, LLC
A Delaware limited liability company

By:_____
Name:_____
Title:_____

AREA DEVELOPER:

_____,
a

By:_____
Name:_____
Title:_____

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT B
DEVELOPMENT INFORMATION

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT
EXHIBIT B
DEVELOPMENT INFORMATION

EFFECTIVE DATE: _____.

AREA DEVELOPER: _____.

The **DEVELOPMENT AREA** is defined as the territory within the boundaries described below:

_____

_____

_____

If the Development Area is defined by streets, highways, freeways or other roadways then the boundary of the Development Area shall extend to the center line of each street, highway, freeway or other roadway.

MINIMUM DEVELOPMENT OBLIGATION: _____ Spitz Restaurants.

DEVELOPMENT SCHEDULE: _____ Spitz Restaurants must be Opened in ____ months within _____ months after the Effective Date.

DEVELOPMENT PERIOD ENDING	CUMULATIVE NUMBER OF SPITZ RESTAURANTS TO BE IN OPERATION
TOTAL	

INITIAL FRANCHISE FEES: Initial Franchise Fee of $35,000 for the first Spitz Restaurant and an Initial Franchise Fee of $30,000 for each additional Spitz Restaurant, for a commitment to pay total Initial Franchise Fees of $_____.

DEVELOPMENT FEE: $15,000 per additional Spitz Restaurant to be developed; total Development Fee due at signing this Agreement: $_____. Each Development Fee payment is credited toward the Initial Franchise Fee of the corresponding Spitz Restaurant, not to exceed $15,000 per Restaurant.

FEES DUE AT SIGNING THIS AGREEMENT: $_____

TRANSFER FEE FOR TRANSFER OF AREA DEVELOPMENT AGREEMENT: $_____.

EXPIRATION DATE OF TERM: _____.

NOTICE ADDRESS FOR AREA DEVELOPER: _____
_____;
Email: _____.

IN WITNESS WHEREOF, the Parties have executed this Exhibit B on the Effective Date.

FRANCHISOR:

RADWICK FRANCHISING, LLC
A Delaware limited liability company

By:_____
Name:_____
Title:_____

AREA DEVELOPER:

A _____

By:_____
Name:_____
Title:_____

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT C
GUARANTEE OF AREA DEVELOPMENT AGREEMENT

RADWICK FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT`

EXHIBIT C
GUARANTEE OF AREA DEVELOPMENT AGREEMENT

The undersigned ("Guarantors") have requested RADWICK FRANCHISING, LLC, a Delaware limited liability company ("Franchisor"), to enter into an Area Development Agreement dated _____ (the "Area Development Agreement") with _____, a _____ ("Area Developer"). In consideration for, and as an inducement to, Franchisor's execution of the Area Development Agreement, Guarantors hereby grant this guarantee (this "Guarantee") and agree as follows:

1. "Obligations" means and includes any and all obligations of Area Developer arising under or pursuant to the Area Development Agreement and all other obligations, whether now existing or hereafter arising, of Area Developer to Franchisor of whatever nature.

2. Guarantors irrevocably and unconditionally, fully guarantee to Franchisor the prompt, full and complete payment of any and all Obligations of Area Developer to Franchisor and the performance of any and all obligations of Area Developer including, without limitation, obligations under the Area Development Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations.

3. If Area Developer fails to pay any of the Obligations, Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors. Guarantors agree that if any obligation, covenant or agreement contained in the Area Development Agreement is not observed, performed or discharged as required by the Area Development Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, observe, perform or discharge such obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors.

4. No exercise or non-exercise by Franchisor of any right under this Guarantee, no dealing by Franchisor with Area Developer or any other person and no change, impairment or suspension of any right or remedy of Franchisor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Franchisor. Without limiting the generality of the foregoing, Guarantors agree that, regardless of whether Franchisor gives notice thereof or obtains the consent of Guarantors thereto, Guarantors' liability under this Guarantee shall not be released, extinguished or otherwise reduced in any way by reason of (i) any amendment, modification, renewal, extension, substitution or replacement of the Area Development Agreement or of any of the Obligations, in whole or in part; (ii) any acceptance, enforcement or release by Franchisor of any security for the Area Development Agreement or of any of the Obligations, any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the Area Development Agreement or the Obligations or any security therefore; (iii) any assignment of this Guarantee, in whole or in part by Franchisor, or any assignment or transfer of the Area Development Agreement (or any of them) by Franchisor or Area Developer; (iv) the invalidity or unenforceability of any provision of the Area Development Agreement or any of the Obligations; or (v) any failure, omission or delay of Franchisor in enforcing the Area Development Agreement, the Obligations or this Guarantee.

5. Guarantors waive and agree not to assert or take advantage of (i) any right to require Franchisor to proceed against Area Developer or any other person, firm or corporation or to proceed against or exhaust any security held by Franchisor at any time or to pursue any other remedy in Franchisor's power; (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby; (iii) any defense that may arise by reason of Area Developer's incapacity, lack of authority, insolvency or bankruptcy or Franchisor's failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Area Developer, any other or others; (iv) any defense arising out of any alteration of the Area Development Agreement or the Obligations; (v) notice of Area Developer's default in the payment or performance of any of the Obligations; (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or

additional Obligations or obligations or of any action or non-action on the part of Area Developer, Franchisor, any endorser, creditor of Area Developer or Guarantors under this or any other instrument, or any other person, in connection with any obligation or evidence of Obligations held by Franchisor or in connection with any Obligations hereby guaranteed; (vii) all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement against Area Developer by operation of Applicable Law or otherwise; (viii) any duty of Franchisor to disclose to Guarantors any facts that Franchisor may now or hereafter know about Area Developer, regardless of whether Franchisor has reason to believe that any such facts materially increase the risk beyond that which Guarantors intends to assumes or has reason to believe that such facts are unknown to Guarantors or has a reasonable opportunity to communicate such facts to Guarantors, it being understood and agreed that Guarantors is responsible to be and to keep informed of Area Developer's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed; and (ix) any right to the benefit of or to direct the application of any security held by Franchisor.

6. Until all Obligations to Franchisor are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Franchisor now has or may hereafter have against Area Developer. All existing or future indebtedness of Area Developer to Guarantors and any right to withdraw capital invested in Area Developer by Guarantors are hereby subordinated to all Obligations.

7. Guarantors' liabilities and all rights, powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and such rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law.

8. The liability of Guarantors under this Guarantee shall be an absolute, direct, immediate and unconditional continuing guarantee of payment and performance and not of collection. Guarantors' obligations under this Guarantee are independent of Area Developer's obligations. This is a continuing Guarantee. It shall be irrevocable during the initial term and each renewal term and through any extensions, amendments, modifications, substitutions or replacements of the Area Development Agreement and until all Obligations has been fully paid and the Obligations have been fully performed. In the event of any default under this Guarantee, a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Area Developer or whether Area Developer is joined in any such action or actions. Franchisor may maintain successive actions for other defaults. Franchisor's rights under this Guarantee shall not be exhausted by Franchisor's exercise of any rights or remedies or by any such action or by any number of successive actions until and unless all Obligations have fully been paid and performed. The obligations of Guarantors shall be primary and are independent of the obligations of Area Developer and Franchisor may directly enforce its rights under this Guarantee without proceeding against or joining Area Developer or any other person or entity, or applying or enforcing any security of the Area Development Agreement. Guarantors acknowledge and agree that Guarantors shall, and hereby are, bound by each and all of the confidentiality and non-competition provisions of the Area Development Agreement.

9. Neither any provision of this Guarantee nor right of Franchisor under this Guarantee can be waived, nor can Guarantors be released from Guarantors' obligations under this Guarantee except by a written agreement executed by Franchisor. If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective. This Guarantee constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter hereof and no representation, understanding, promise or condition concerning the subject matter hereof shall bind Franchisor unless expressed herein.

10. All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 17 of the Area Development Agreement. Notices to Guarantors shall be sent to the address set forth below each Guarantors' signature below.

11. This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed, dated and identical in form to the original

hard copy version of this Guarantee. In addition, this Guarantee may be signed electronically by Guarantors and electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guarantee.

12. This Guarantee shall be governed by and construed in accordance with the laws of the State of Delaware. In the event of any conflict of law, the laws of Delaware shall prevail, without regard to the application of Delaware conflict of law rules. Nothing in this Section 12 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of the state of Delaware to which it would not otherwise be subject. Venue for purposes of any legal proceedings brought in connection with or arising out of this Guarantee shall be conclusively presumed to be in the State of Utah, County of Salt Lake City. Guarantors hereby submit to the personal jurisdiction of the United States District Court for the District of Utah and the state courts of Utah located in Salt Lake City.

(Signature page follows)

Executed by or on behalf of Guarantors on the date set forth below.

_____ Date:_____

Address:

_____

_____ Date:_____

Address:

_____

_____ Date:_____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C
ASSET PURCHASE AGREEMENT

RADWICK ENTERPRISES LLC

PURCHASE AGREEMENT

RADWICK ENTERPRISES LLC

PURCHASE AGREEMENT
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PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "**Agreement**") is made this __ day of _____, 20__ (the "**Effective Date**") by and between **RADWICK ENTERPRISES LLC**, a California limited liability company ("**Seller**"), on the one hand, and _____ ("**Buyer**"), on the other hand, with reference to the following facts:

A. Seller owns and operates the Spitz Restaurant (the "**Spitz Restaurant**") located at _____.

B. Seller leases the premises and improvements at the site of the Restaurant (the "**Restaurant Location**") under a Lease (the "**Lease**") with the landlord (the "**Landlord**") described on Exhibit A attached to this Agreement and incorporated into this Agreement by reference.

C. Seller desires to sell to Buyer and Buyer desires to purchase from Seller certain of the assets owned or used by Seller in the operation of the Spitz Restaurant as more fully described in Exhibit B (the "**Assets**"). Buyer further desires to operate the Spitz Restaurant under a Franchise Agreement with Radwick Franchising, LLC, a Delaware limited liability company ("**Franchisor**"), the franchisor of Spitz Restaurants, in the form of Exhibit C (the "**Franchise Agreement**").

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS MUTUALLY ACKNOWLEDGED BY THE PARTIES, THE PARTIES MUTUALLY AGREE:

1. INCORPORATION OF RECITALS.

The Recitals set forth in Paragraphs A through C of this Agreement are true and correct and are incorporated into this Agreement as part of this Agreement.

2. PURCHASE AND SALE.

On the Closing Date, Seller shall sell, convey, transfer, assign and deliver to Buyer and Buyer shall purchase from Seller, all of the Assets of the Spitz Restaurant listed on Exhibit B PLUS all of the useable retail inventory located at the Spitz Restaurant (the "**Inventory**"). All of the Assets and Inventory are conveyed and accepted on an "as is, where is" basis, with no warranty as to condition, functionality or merchantability, or any other express or implied warranty except as to title. Buyer acknowledges that it has inspected the Assets and Inventory prior to Closing, and obtained any advice Buyer requires from third parties regarding its condition. Seller assigns to Buyer any existing executory product warranties still in effect from the manufacturers and suppliers of the Assets and Inventory.

3. PURCHASE PRICE FOR ASSETS.

a. **Purchase Price**. The aggregate purchase price for the Assets (the "**Purchase Price**") shall be the sum of $_____ PLUS the sum of $7,500 for the Inventory. Within two (2) days after the Closing Date, Seller shall inform Buyer of the purchase price for the Inventory, valued at its customary cost (the "**Inventory Consideration**"). If the actual Inventory Consideration is greater than $7,500 in the aggregate, Buyer shall pay Seller within five (5) business days thereafter an additional amount equal to the difference between the actual Inventory Consideration and $7,500. If the actual Inventory Consideration is less than $7,500 in the aggregate, Seller shall issue a credit to Buyer against the purchase price for Buyer's subsequent purchases of inventory in an amount equal to the difference between $7,500 and the actual Inventory Consideration.

b. **Payment of Purchase Price**. On the Effective Date, Buyer shall pay Seller the sum of $_____ as a down payment against the Purchase Price and shall pay the remaining balance of the Purchase Price due to Seller on the Closing Date.

c. **Allocation of Purchase Price**. Seller and Buyer shall allocate the Purchase Price among the Assets as set forth on Exhibit D attached to this Agreement by reference, using the allocation method required by Section 1060 of the Internal Revenue Code of 1986, as amended (the ″Code″), and the regulations thereunder.

d. **Payments Required in Addition to Purchase Price**. Buyer shall pay the following obligations in addition to the Purchase Price:

(i) The $10,000 initial franchise fee due to Franchisor.

(ii) The first month's rent and a security deposit equal to one (1) to three (3) month's rent and estimated monthly center expenses due under the Lease as described on Exhibit A attached to this Agreement and incorporated into this Agreement by reference.

(iii) All amounts attributable to "**Prorations**" as more fully described in Section 9(f) of this Agreement.

4. LIABILITIES OF THE SPITZ RESTAURANT.

a. **Seller's Liabilities**. Seller hereby assigns, transfers and conveys to Buyer all of Seller's right, title and interest in and to the liabilities and obligations, if any, listed on Exhibit E attached to this Agreement (collectively the "**Assumed Liabilities**") in connection with Buyer's acquisition of the Spitz Restaurant. Except as specifically provided in Section 4(b) of this Agreement, Buyer shall not assume and shall not acquire, take over or be responsible for any liabilities or obligations of Seller, known or unknown, relating to or arising from the operation of the Spitz Restaurant by Seller prior to the Closing Date (″Seller's Liabilities″).

b. **Assumed Liabilities**. Buyer hereby assumes and promises to pay and perform the Assumed Liabilities in connection with Buyer's acquisition of the Spitz Restaurant.

5. FRANCHISE AGREEMENT AND ASSIGNMENT OF LEASE.

a. **Franchise Agreement**. On the Closing Date, Buyer and Franchisor shall execute a Franchise Agreement for the Spitz Restaurant in the form of Exhibit C.

b. **Assignment of Lease**. On the Closing Date, Buyer and Seller shall execute an Assignment of Lease for the Restaurant Location in the form of Exhibit F. Seller, in its discretion, shall exert Seller's commercially reasonable best efforts to obtain the consent of the Landlord to the Assignment of Lease, if such consent is required. Buyer shall provide to the Landlord such financial statements and other information concerning Buyer as the Landlord may reasonably require to grant the Landlord's consent to the Assignment of Lease. Buyer shall pay all costs and fees, if any, that the Landlord may charge in connection with the Landlord's determination to grant the Landlord's consent to the Assignment of Lease.

6. THE ESCROW AND THE CLOSING DATE.

a. **Escrow Holder and Escrow**. Seller shall deposit a fully executed copy of this Agreement with _____; Telephone:_____; Fax: _____ (the "**Escrow Holder**"), to the attention of _____, immediately following the parties' execution of this Agreement. Delivery of a copy of this Agreement to the Escrow Holder shall constitute the parties' authorization to the Escrow Holder to proceed with Bulk Sale Escrow Number (the "**Escrow**") with respect to this transaction.

b. **Closing and Closing Date**. Unless extended in writing by Seller and Buyer, the Escrow shall close (the "**Closing**") on _____ (the "**Closing Date**"). The Closing shall take place at the offices of the Escrow Holder at 10:00 A. M. on the Closing Date. If the Closing does not occur on the Closing Date, Seller may terminate this Agreement without any liability to Buyer.

7. REPRESENTATIONS AND WARRANTIES OF SELLER.

Seller represents and warrants to Buyer:

a. **Due Incorporation and Authorization**. Seller (i) is duly incorporated, validly existing and in good standing under the laws of the State of California; and (ii) has the power and authority to enter into this Agreement and the documents referenced in this Agreement and to consummate the transactions contemplated by this Agreement and otherwise to perform Seller's obligations under this Agreement. This Agreement has been duly authorized and executed by Seller and constitutes the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

b. **Violation**. The execution and delivery of this Agreement by Seller and the consummation of the transactions contemplated by this Agreement do not and will not (i) violate any provision of the Articles of Incorporation of Seller; (ii) violate any material court or administrative order, process, judgment or decree to which Seller is a party or by which it (or any of its respective properties or assets) is bound; or (iii) result in the creation or imposition of any material lien, charge, pledge, security interest or other encumbrance upon the Assets pursuant to any provision of, any mortgage, lien, lease, agreement, license or instrument to which Seller is a party or by which Seller is bound.

c. **Consents**. No consent or approval by, or any notification of or filing with, any person (governmental or private) is required in connection with the execution, delivery and performance by Seller of this Agreement or the consummation of the transactions contemplated by this Agreement.

d. **Encumbrances**. Seller has good and marketable title to the Assets, free and clear of any and all liens, claims, judgments, taxes, encumbrances, security interests, debts or other adverse claims or rights of any kind.

e. **Permits and Licenses**. Seller has all permits, and governmental licenses and registrations (the "**Licenses**") necessary to carry on the business of the Spitz Restaurant (as presently conducted) as required by law or the rules and regulations of any federal, state, county or local governmental agency having jurisdiction over it. The Licenses are in good standing and are in full force and effect.

f. **Litigation**. There is no pending, or to the knowledge of Seller, threatened suit, action, arbitration or legal, administrative or other proceeding, against or affecting Seller, the Spitz Restaurant, the Assets, the Lease or the Licenses.

g. **No Violation**. Seller has not received notice of any violation of any applicable federal, state or local statute, law or regulation relating to or directly or materially affecting the Assets or the Spitz Restaurant and, to the best knowledge of Seller, there are no such violations by Seller.

h. **Lease**. Seller has delivered a full and complete copy of the Lease to Buyer prior to the date of this Agreement. There are no written amendments to the Lease or other agreements between Seller and the Landlord reflecting the understandings between Seller and the Landlord under the Lease which have not heretofore been delivered to Buyer by Seller. There are no oral amendments or other agreements between Seller and the Landlord which have not been memorialized in a written instrument and expressly agreed to by Seller and the Landlord. Seller has not received notice of any breach or default of any material term or provision of any of the Lease and, to the best knowledge of Seller, Seller is not in breach or in default of any material term or provision of the Lease as of the date of this Agreement. Provided that the consent of the Landlord, if required, has been obtained, Seller has the right to assign the Restaurant Location to Buyer with the written consent of the Landlord and the consummation of the transactions contemplated by this Agreement will not result in or constitute a breach of any material term or provision of the Lease or a default or an event which, with notice or lapse of time or both, would be a default, breach or violation of any material term or provision of the Lease. The Lease is in full force and effect as written and, on the Closing Date, Seller will be in material compliance therewith.

i. **Ownership of Restaurant**. Seller has been the only owner of the Spitz Restaurant during the _____ period the Spitz Restaurant has been in existence.

8. REPRESENTATIONS AND WARRANTIES OF BUYER.

Buyer represents and warrants to Seller:

a. **Authorization**. This Agreement has been duly authorized and executed by Buyer and constitutes the legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms.

b. **Violation**. The execution and delivery of this Agreement by Buyer and the consummation of the transactions contemplated by this Agreement do not and will not (i) violate any material court or administrative order, process, judgment or decree to which Buyer is a party or by which it (or any of its respective properties or assets) is bound; or (ii) result in the creation or imposition of any material lien, charge, pledge, security interest or other encumbrance upon the Assets pursuant to any provision of, any mortgage, lien, lease, agreement, license or instrument to which Buyer is a party or by which Buyer is bound.

c. **Consents**. No consent or approval by, or any notification of or filing with, any person (governmental or private) is required in connection with the execution, delivery and performance by Buyer of this Agreement or the consummation of the transactions contemplated by this Agreement.

d. **Ownership of the Spitz Restaurant**. Buyer has been advised by Seller that Seller has been the only owner of the Spitz Restaurant during the period the Spitz Restaurant has been in existence.

9. OTHER AGREEMENTS.

a. **Condition of Assets**. All Assets sold pursuant to this Agreement are sold ″As Is″. **Seller MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE ASSETS, INCLUDING, BUT NOT LIMITED TO, THOSE WITH RESPECT TO THE CONDITION OF THE ASSETS OR THEIR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR THE LIKE**. There shall be no abatement of the Purchase Price and Seller shall have no liability to Buyer for any claim, loss or damage as a result of any non-operating deficiency or defect in the Assets; the use or performance of the Assets; or any interruption or loss of service or of use of the Assets.

b. **Confidentiality**. Buyer and Seller shall hold in confidence: (i) all documents and information obtained from each other, their employees, agents and independent contractors; (ii) the nature and content of this Agreement and all discussions between Buyer and Seller regarding the transactions contemplated by this Agreement (all of the above shall collectively be referred to herein as ″Confidential Information″), and shall not disclose or convey any of such Confidential Information to any other person; provided, however, that Buyer and Seller may disclose Confidential Information (x) to such of their potential lenders, employees, attorneys, accountants and financial advisors as is reasonable to facilitate consummation of the transactions contemplated by this Agreement; (y) to the extent any such disclosure is required by law; and (z) to the Landlord and other third parties as necessary to facilitate obtaining such parties′ consent to the transfer of Assets under this Agreement.

c. **Sales Tax and Utilities**. Buyer shall pay all sales and/or use taxes arising from the sale of the Assets by Seller to Buyer. All utility and telephone service to the Spitz Restaurant shall be discontinued in Seller′s name as soon as practicable after the Closing Date. Buyer shall transfer such services to Buyer′s name so that there is no interruption of such services as a result of the transactions contemplated by this Agreement. Seller shall not be responsible for payment of any related charges effective, in each case, on or after the close of business on the Closing Date. In the event that Seller is required to pay any utility expenses incurred after the Closing Date, Buyer shall reimburse Seller within five (5) business days of Seller′s request for such reimbursement. Similarly, if Buyer pays any costs relating to the period prior to Closing Date, Seller shall reimburse Buyer within five (5) business days of Buyer′s written request for such reimbursement. In all cases, a party′s request for reimbursement shall be accompanied by evidence (reasonably satisfactory to the other) that such party has incurred the expense for which it is requesting reimbursement.

d. **Pre-Closing Credits**. Buyer shall reimburse Seller within five (5) business days of receipt of any retroactive credits or other amounts which all or partially relate to any period prior to the Closing Date (for example, a real estate tax credit arising after the Closing Date that relates to the period nine (9) months before and three (3) months after the Closing Date will be reimbursed by Buyer to Seller to the extent of seventy-five percent (75%) of such credit received by Buyer).

e. **Post-Closing Charges**. Seller shall reimburse Buyer within five (5) business days after receiving written notice from Buyer of any charges which all or partially relate to any period prior to the Closing Date and which are not Assumed Liabilities (for example, a real estate tax charge received from after the Closing Date that relates to the period nine (9) months before and three (3) months after the Closing Date will be reimbursed by Seller to the extent of seventy-five percent (75%) of the bill).

f. **Prorations**. All rents, sewer charges, water charges, public utility charges, real and personal property taxes levied or assessed against the Assets and the Spitz Restaurant and other items that are customarily prorated between a seller and a buyer of a business shall be prorated between Seller and Buyer as of the Closing Date and shall be paid by Seller or Buyer, as the case may be, on the Closing Date.

g. **Insurance Coverage**. Buyer shall be solely responsible for obtaining and maintaining public liability insurance from a responsible insurance company licensed to do business in the state in which the Restaurant Location is located during the entire term of the Franchise Agreement and the Lease in amounts not less than those required by the Franchise Agreement and the Lease. On the Closing Date and at least ten (10) days prior to the time any insurance is first required to be carried by Buyer, and thereafter, at least thirty (30) days prior to the expiration of any policy, Buyer shall deliver to Seller, Franchisor and the Landlord, Certificates of Insurance evidencing the proper types and minimum amounts of required coverage. All Certificates shall expressly provide that no less than thirty (30) days′ prior written notice shall be given to Franchisor and the Landlord in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by such Certificates. Certificates evidencing the required insurance shall name Franchisor and the Landlord, and each of their affiliates, partners, shareholders, directors, agents, members and employees as additional insureds and as additional loss payees, and shall expressly provide that any interest of each shall not be affected by any breach by Buyer of any policy provisions for which such Certificates evidence coverage.

10. CONDITIONS PRECEDENT TO BUYER'S PERFORMANCE.

The obligation of Buyer to purchase the Assets is subject to the receipt by Buyer of duly executed originals of this Agreement, the Franchise Agreement, the Assignment of Lease and a Bill of Sale for the Assets in the form of Exhibit G attached to this Agreement.

11. CONDITIONS PRECEDENT TO SELLER'S PERFORMANCE.

The obligations of Seller to sell the Assets on the Closing Date is subject to the satisfaction by Buyer of all of the conditions set forth in this Section 11.

a. **Receipt on the Closing Date**. On or before the Closing Date:

(i) Seller shall have received two (2) duly executed originals of the Assignment of Lease in substantially the form of Exhibit F attached to this Agreement as required by Section 5 of this Agreement.

(ii) Seller shall have received two (2) duly executed originals of the Franchise Agreement, in substantially the form of Exhibit C attached to this Agreement, and all related collateral documents.

(iii) Seller shall have received two (2) duly executed originals of a General Release in a form prescribed by Seller.

(iv) Seller shall have received the remainder of the Purchase Price from the Escrow Holder.

(v) Seller and Franchisor shall have received Certificates of Insurance evidencing the proper types and minimum amounts of required coverage as provided in Section 9(g) of this Agreement, the Franchise Agreement and the Lease.

(vi) Seller shall have received approval by the California Department of Alcoholic Beverage Control and any other governmental agency or authority required to approve the sale of the beer and wine license for the Spitz Restaurant from Seller to Buyer.

(vii) Seller shall have received such other documents as Seller may reasonably require to consummate the transaction contemplated by this Agreement.

12. INDEMNIFICATION.

a. **Indemnification by Seller**. Seller shall indemnify, defend and hold Buyer free and harmless from and against any and all "**Losses**" (as defined in Section 12(c) below), which Buyer shall incur or suffer which arise or result from the operation or conduct of the business of the Spitz Restaurant by Seller at any time before the Closing Date, from Seller's Liabilities and from any breach of Seller′s representations, warranties or covenants contained in this Agreement.

b. **Indemnification by Buyer**. Buyer shall indemnify, defend and hold Seller free and harmless from and against any and all Losses which Seller shall incur or suffer which arise or result from the operation or conduct of the Spitz Restaurant by Buyer at any time after the Closing Date and from any breach of Buyer's representations, warranties or covenants contained in this Agreement.

c. **Losses**. For purposes of this Agreement, "**Losses**" shall mean any and all obligations, liabilities, costs (including reasonable attorneys' fees), expenses, damages and losses actually incurred by a party entitled to indemnification under Section 12(a) and Section 12(b) of this Agreement, net of any insurance proceeds and material tax adjustments, benefits, savings or reductions to which such party is entitled by virtue of such obligations, liabilities, costs, expenses, damages and losses; provided however, that "**Losses**" exclude all consequential damages of any kind (including, but not limited to, loss of revenue or income, cost of capital or loss of business reputation or opportunity).

d. **Obligations of Indemnified Party**. A party entitled to indemnification under the provisions of this Section 12 (the "**Indemnitee**") shall promptly notify the indemnifying party (the "**Indemnitor**") of the existence of any claim, demand, or other matter to which the Indemnitor's indemnification obligations would apply and shall give the Indemnitor a reasonable opportunity to defend or pay the same at the Indemnitor's own expense and with counsel of Indemnitor's own selection. The Indemnitee shall at all times have the right to fully participate in the defense of any claim at the Indemnitee's own expense. If the Indemnitor shall, within a reasonable time after this notice, fail to pay or defend, Indemnitee shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle (exercising reasonable business judgment), the claim or other matter on behalf, for the account, and at the risk, of the Indemnitor. If the claim is one that cannot by its nature be defended solely by the Indemnitor, then the Indemnitee shall make available all information and assistance that the Indemnitor may reasonably request for this purpose.

e. **Mitigation**. Each Indemnitee shall be obligated in connection with any claim for indemnification under this Section 12 to use commercially reasonable efforts to mitigate Losses upon and after becoming aware of any event which could reasonably be expected to give rise to such Losses.

13. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

All representations, warranties, covenants and agreements of the parties contained in this Agreement, or in any instrument or other writing provided for in this Agreement, shall survive the Closing Date.

14. GOVERNING LAW AND VENUE.

This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue for purposes of any actions brought in connection with or arising out of this Agreement shall be conclusively presumed to be in the State of California, County of Los Angeles.

15. GENERAL.

a. **Notices**. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties pursuant hereto shall be deemed so delivered at the time delivered by hand, one (1) business day after electronic transmission; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed as follows:

If to Seller: Radwick Enterprises, LLC
Radwick Franchising, LLC
12300 S. 62 E
Draper, Utah 84020
Attention: President

If to Buyer: _____
_____
_____
Attention: _____
Facsimile No: _____

Any party may change his or its address by giving ten (10) days prior written notice of such change to all other parties.

b. **Waiver and Delay**. No waiver by Seller of any default or series of defaults in performance by Buyer, and no failure, refusal or neglect of Seller to exercise any right, power or option given to it hereunder or to insist upon strict compliance with or performance of Buyer's obligations under this Agreement, shall constitute a waiver of the provisions of this Agreement with respect to any subsequent default thereof or a waiver by Seller of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

c. **Successors and Assigns; Benefit**. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Seller and Buyer and its or their respective heirs, executors, administrators, successors and assigns, subject to the restrictions on assignment contained herein. This Agreement is for the benefit of the parties only, and is not intended to and shall not confer any rights or benefits upon any person who is not a party hereto.

d. **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. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the representations Franchisor made to Buyer in the Franchise Disclosure Document or in any related document that Franchisor heretofore furnished to Buyer.

e. **Titles For Convenience**. Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Agreement.

f. **Exhibits; Gender and Construction**. The terms of all Exhibits hereto are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full herein. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context or sense of this Agreement or any article or Section hereof may require. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the drafter hereof, whether under any rule of construction or

otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto.

g. **Severability**. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to law. If any Section of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

h. **Counterparts and Electronic Transmission; Electronic Signatures**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that are transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the electronic copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the parties and electronic signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits.

i. **Attorneys' Fees**. If either party to this Agreement shall bring any action or proceeding for any relief against the other, declaratory or otherwise, arising out of this Agreement, the losing party shall pay to the prevailing party a reasonable sum for attorney fees and costs incurred in bringing or defending such action or proceeding.

IN WITNESS WHEREOF, the parties hereof have executed this Agreement as of the date first shown above.

SELLER:

RADWICK ENTERPRISES, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

BUYER:

By: _____

Name: _____

Title: _____

EXHIBITS

EXHIBIT A	**RESTAURANT LOCATION, LEASE AND LANDLORD, RENT AND ESTIMATED EXPENSES**
EXHIBIT B	**ASSETS**
EXHIBIT C	**FRANCHISE AGREEMENT**
EXHIBIT D	**ALLOCATION OF PURCHASE PRICE**
EXHIBIT E	**ASSUMED LIABILITIES**
EXHIBIT F	**ASSIGNMENT OF LEASE**
EXHIBIT G	**BILL OF SALE**

EXHIBIT A
RESTAURANT LOCATION, LEASE AND LANDLORD, RENT AND ESTIMATED EXPENSES

EXHIBIT B
ASSETS

EXHIBIT C
FRANCHISE AGREEMENT

EXHIBIT D
ALLOCATION OF PURCHASE PRICE

EXHIBIT E
ASSUMED LIABILITIES

EXHIBIT F
ASSIGNMENT OF LEASE

ASSIGNMENT AND ASSUMPTION OF LEASE AND LANDLORD'S CONSENT

This Assignment and Assumption of Lease and Landlord's Consent (this "**Assignment**") is made and entered into this ____ day of _____ (the "**Effective Date**"), by and between **RADWICK ENTERPRISES LLC**, a California limited liability company ("**Assignor**"), _____ ("**Assignee**"), and _____ ("**Landlord**").

A. Landlord and Assignor are parties toa Lease dated _____ ("**Lease**") whereby Landlord leases to Assignor and Assignor leases from Landlord a retail space consisting of approximately _____ square feet located at _____ (the "**Premises**").

B. Assignor desires to assign its rights as tenant under the Lease to Assignee and Assignee desires to assume the tenant's obligations under the Lease, all subject to the terms of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor, Assignee and Landlord enter into and execute this Assignment.

1. Assignment, Assumption and Indemnity.

1.1 Assignor hereby assigns, transfers and conveys to Assignee all of Assignor's rights, title and interest under the Lease. Assignee accepts such assignment, hereby assumes all obligations of the tenant arising under Lease after the Effective Date.

1.2 Assignor agrees to indemnify, defend and hold harmless Assignee from and against all claims, suits, actions, causes, damages, fees (including, but not limited to attorneys' fees and court costs) and liabilities related to, with respect to, or in connection with (a) any breach of the Lease by Assignor prior to the Effective Date; and (b) the use and occupancy of the Premises by Assignor.

2. Landlord's Consent. Landlord consents to the assignment and the assumption of the Lease as provided in this Assignment. Assignor and any guarantors of the Lease shall be released from their obligations and liabilities under the Lease following the Effective Date.

3. Miscellaneous.

3.1 **Headings**. All article and paragraph titles or captions are for convenience only and shall not be deemed a part of this Assignment.

3.2 **Entire Agreement**. This Assignment is the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements between the parties hereto with respect thereto.

3.3 **Counterparts**. This Assignment may be executed in duplicate counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument.

3.4 **Severability**. If any term, covenant, condition or provision of this Assignment is held by a court of competent jurisdiction to be invalid, void or unenforceable, the balance of this Assignment shall remain in full force and effect and shall not be affected, impaired or invalidated by reason of the invalidity, voidability or unenforceability of such other provision.

3.5 **Governing Law**. This Assignment shall be construed and enforced in accordance with the laws of the State of California.

3.6 **Attorneys' Fees**. In the event that any party hereto commences legal proceedings to enforce or interpret any provision of this Assignment, the prevailing party shall be entitled to recover from the non-prevailing party its attorneys' fees and costs incurred in connection therewith.

3.7 **Amendments in Writing**. No amendment or modification of this Assignment shall be valid unless the amendment or modification is in writing and signed by Assignor and Assignee.

3.8 **Successors and Assigns**. This Assignment shall inure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, Assignor and Assignee have entered into this Assignment effective as of the Effective Date.

ASSIGNOR:

RADWICK ENTERPRISES, LLC
A California limited liability company

By: _____

Name: _____

Title: _____

ASSIGNEE:

By: _____

Name: _____

Title: _____

LANDLORD:

By: _____

Name: _____

Title: _____

EXHIBIT G
BILL OF SALE

BILL OF SALE

Pursuant to and in accordance with a Purchase Agreement dated _____, 20 ____ (the "**Purchase Agreement**"), by and between **RADWICK ENTERPRISES, LLC**, a California limited liability company ("**Seller**"), on the one hand, and _____ ("**Buyer**"), on the other hand, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby sells, conveys, transfers, assigns and delivers to Buyer the assets (the ″Assets″) of the Spitz Restaurant located at _____, as set forth in Section 2 of the Purchase Agreement.

EXCEPT FOR THE WARRANTIES SET FORTH IN SECTION 2 OF THE PURCHASE AGREEMENT, SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER WITH RESPECT TO THE ASSETS AND INVENTORY, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (c) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. BY ACCEPTING THIS BILL OF SALE, BUYER ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY MADE BY SELLER, OR ANY OTHER PERSON ON SELLER'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN THE AGREEMENT.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of _____, 20__.

SELLER:

RADWICK ENTERPRISES, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

RADWICK FRANCHISING, LLC FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT D
OPTION TO OBTAIN LEASE ASSIGNMENT

RADWICK FRANCHISING, LLC

OPTION TO OBTAIN LEASE ASSIGNMENT

RADWICK FRANCHISING, LLC
OPTION TO OBTAIN LEASE ASSIGNMENT

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RADWICK FRANCHISING, LLC
OPTION TO OBTAIN LEASE ASSIGNMENT

THIS OPTION TO OBTAIN LEASE ASSIGNMENT (this **"Agreement"**) is made and entered into as of _____, 20___ (the **"Effective Date"**), by and among **RADWICK FRANCHISING, LLC**, a Delaware limited liability company (″Franchisor″), and _____, a _____ (″Franchisee″), and _____, a _____ (″Landlord″):

A. On _____, Landlord, as lessor, and Franchisee, as tenant, entered into a Lease (the **"Lease"**) for the premises located at _____ (the **"Franchised Location"**) pursuant to which Franchisee leased the Franchised Location from Landlord for the purpose of operating a franchised Spitz restaurant (the **"Spitz Restaurant"**) at the Franchised Location. The operation of the Spitz Restaurant is a permitted use of the Premises under the Lease.

B. On _____, Franchisor, as franchisor, and Franchisee, as franchisee, entered into a Franchise Agreement (the **"Franchise Agreement"**) pursuant to which Franchisee agreed to operate the Spitz Restaurant at the Franchised Location as a franchisee of Franchisor in accordance with the terms and conditions of the Franchise Agreement.

C. Franchisee has provided a true and complete copy of the Lease to Franchisor. Franchisee has determined that the Lease will allow the Spitz Restaurant to be completed and developed as contemplated by the Franchise Agreement, and there are no operating restrictions in the Lease that would conflict with the Franchise Agreement, or the operating standards required for all Spitz Restaurants.

D. Franchisee, Franchisor and Landlord desire to enter into this Agreement to define the rights of Franchisor in and to the Franchised Location and to protect the interests of Franchisor with respect to the continued operation of a Spitz restaurant at the Franchised Location during the entire term of the Lease and any renewals and extensions of the Lease on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH THE PARTIES MUTUALLY ACKNOWLEDGE, THE PARTIES MUTUALLY AGREE:

1. INCORPORATION OF RECITALS

The Recitals set forth in Paragraphs A through D of this Agreement are true and correct and are incorporated into this Agreement as part of this Agreement.

2. OPTION

Franchisee does hereby grant to Franchisor an option, exercisable at any time within thirty (30) days after Franchisor's receipt of actual notice of the occurrence of any of the events (the **"Option Events"**) described in Sections 3.1 through 3.7 (the **"Option"**), to succeed to Franchisee's rights under the Lease and to obtain an assignment of the rights and obligations of Franchisee under the Lease to Franchisor (the **"Assignment"**). Landlord undertakes to notify Franchisor in writing within ten (10) days after Landlord (i) has actual knowledge of the occurrence of any of the Option Events, or (ii) receives written notice from Franchisee that an event constituting an Option Event has occurred.

3. ONLY EFFECTIVE UPON EXERCISE OF OPTION

This Agreement shall be effective upon the Effective Date; however, the Assignment shall only become effective if, and when, Franchisor expressly exercises the Option in writing after the occurrence of one or more of the following events:

3.1. **Franchise Agreement**. The occurrence of (i) any acts which would result in the immediate termination of the Franchise Agreement; or (ii) the default by Franchisee in the performance of any of the terms or obligations of the Franchise Agreement, which default is not cured within the applicable cure period set forth in the Franchise Agreement.

3.2. **Lease**. The occurrence of (i) any acts which would result in the termination or merger of the Lease; or (ii) the default by Franchisee in the performance of any of the terms or obligations of the Lease which default is not cured within the applicable cure period set forth in the Lease; or (iii) the occurrence of any event that permits Landlord to terminate the Lease or evict Franchisee as the tenant and terminate Franchisee's occupancy under the Lease.

3.3. **Sale of Restaurant**. If Franchisee, without the prior written consent of Franchisor, either (i) sells, transfers, assigns, sublets or enters into any agreement to sell, transfer, assign or sublet any of its right, title or interest in and to the Spitz Restaurant, including any transfer, assignment or sublet of the Franchise Agreement, the Lease or any of the operating assets of the Spitz Restaurant; or (ii) amends the Lease in any manner which would impair the value of the security granted by this Agreement or which would materially affect the rights of Franchisor under this Agreement.

3.4. **Failure to Exercise Option to Renew or Extend**. If Franchisee shall fail to exercise any option to renew or extend the term of the Lease.

3.5. **Insolvency**. If Franchisee (i) is adjudicated insolvent or makes an assignment for the benefit of creditors; or (ii) Franchisee applies for or consents to the appointment of a custodian, receiver, trustee or similar officer for it or for all or any substantial part of its property; or (iii) if such a custodian, receiver, trustee or similar officer is appointed without the application or consent of Franchisee, and such appointment continues undischarged for a period of sixty (60) days.

3.6. **Bankruptcy**. If Franchisee (i) is adjudicated bankrupt or institutes (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or (ii) any such proceeding is instituted (by petition, application or otherwise) against Franchisee and remains undismissed for a period of sixty (60) days.

3.7. **Purchase of Franchised Location**. If Franchisee or any entity with which Franchisee has any financial interest enters into any agreement to purchase the Franchised Location from Landlord.

4. CONSENT TO ASSIGNMENT

Landlord hereby consents to the Assignment and agrees that its consent to the Assignment shall remain in effect during the entire term of the Lease and any and all renewals and extensions of the Lease. The Lease shall not be amended, modified, altered, assigned, extended, renewed or terminated by Landlord, nor shall the Franchised Location be sublet by Franchisee with the consent of Landlord, without the prior written consent of Franchisor.

5. EXERCISE OF OPTION BY FRANCHISOR

Franchisor shall exercise the Option by giving written notice to Franchisee and Landlord of its affirmative election to do so within thirty (30) days after Franchisor's receipt of actual notice of the occurrence of any of the Option Events.

5.1. **Cure Defaults**. If Franchisor exercises the Option, Franchisee, Franchisor or its franchisee-designee, shall have the right to cure all uncured defaults of Franchisee under the Lease which exist as of the date of the exercise of the Option when Franchisor or its franchisee-designee is put into actual possession of the Spitz Restaurant. The period of time to cure all defaults of Franchisee under the Lease shall be reasonably and appropriately extended by Landlord beyond the cure period provided to Franchisee under the Lease.

5.2. **Assignment of Rights**. Franchisor shall have the right, concurrently with or subsequent to Franchisor's exercise of the Option, to assign and transfer its rights under this Agreement to an affiliate or a franchisee of Franchisor without the prior consent of Landlord. In the event of such an assignment or transfer, the Franchisor's affiliate-designee or franchisee-designee shall obtain the Assignment in place and instead of Franchisor.

5.3. **Indemnification by Assignor**. Franchisee agrees to pay and reimburse Franchisor and to hold Franchisor harmless from and against any and all costs, damages, attorneys' fees, liabilities or other expenses of any nature whatsoever incurred by Franchisor in connection with the enforcement of Franchisor's rights and/or the performance of Franchisor's rights or obligations under this Agreement. Franchisor's exercise of the Option shall not release Franchisee from any liability to Landlord or Franchisor for any rents, costs, damages, attorneys' fees, liabilities or other expenses incurred by Franchisor or Landlord as a result of Franchisee's defaults or the occurrence of an Option Event.

6. TERM OF AGREEMENT

This Agreement shall terminate upon the termination of the Lease with the written consent of Franchisor, or as contemplated in Section 7 below.

7. TERMINATION OF LEASE AND FRANCHISE AGREEMENT

7.1. **Termination of Lease**. If, and only if, Franchisor exercises the Option, upon any termination of the Lease prior to the expiration date of the Lease or upon expiration of the term of the Lease in violation of Section 3.4, following Franchisor's exercise of the Option, Franchisor shall, in Franchisor's discretion, either succeed to Franchisee's rights under the Lease or Landlord shall enter into a substitute lease for the Franchised Location with Franchisor, or its designee, on the identical terms and conditions as contained in the Lease, for the remaining term of the Lease, with identical extension or renewal options, within ten (10) business days of the termination or expiration of the Lease.

7.2. **Termination of Franchise Agreement**. Upon Franchisor's exercise of the Option, Franchisee shall surrender possession of the Franchised Location to Franchisor and Franchisor shall be entitled to, and Franchisee shall provide Franchisor with, immediate possession of the Franchised Location and Franchisee shall no longer be entitled to the use or occupancy of the Spitz Restaurant or the Franchised Location, including all of Franchisee's rights in and to the same, including all improvements, buildings and fixtures which are a part of the same will, in all respects, be deemed to have been terminated and, under the terms of this Agreement and the applicable provisions of the Franchise Agreement, assigned to Franchisor. Franchisor shall have the right to manage and operate the Spitz Restaurant at the Franchised Location immediately upon its exercise of the Option.

7.3. **De-Identification of Restaurant**. If Franchisor does not exercise the Option upon a termination of the Franchise Agreement and/or Lease, Franchisor shall have the right to enter the Spitz Restaurant and the Franchised Location to remove and modify to Franchisor's satisfaction, all distinctive design features and characteristics of the Spitz Restaurant and the Franchised Location, including distinctive interior designs and surface materials and refrigeration equipment, display fixtures, color décor and interior and exterior signs and all other items identifying the Spitz Restaurant and the Franchised Location as a Spitz restaurant.

8. RESTRICTIONS ON AMENDMENT AND TRANSFER

This Agreement may not be assigned by Franchisee without the prior written consent of Franchisor. Franchisee shall not sell, transfer, assign, sublet or otherwise encumber any or all of its right, title or interest in and to the Spitz Restaurant, the Franchise Agreement or the Lease, except in accordance with the applicable terms and conditions of the Franchise Agreement. Franchisee shall not amend, modify or alter the Lease during the term of this Agreement without the prior written consent of Franchisor and shall provide Franchisor with at least thirty (30) days prior written notice of any proposed amendment, modification, alteration, extension or renewal of the Lease.

9. POWER OF ATTORNEY

Franchisee hereby irrevocably appoints Franchisor as its attorney-in-fact to exercise any and all of Franchisee's rights in, to and under the Lease and in and to the Franchised Location upon the occurrence of a default or an event of default under the Lease or Franchise Agreement. Landlord acknowledges this appointment and agrees to recognize and accept the rights and actions of Franchisor under this appointment.

10. GENERAL PROVISIONS

10.1. **Governing Law**. This Agreement shall be governed and construed in accordance with the laws of the State in which the Franchised Location is located.

10.2. **Notices**. All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail. Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid. Notices and demands shall be given to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

If to Franchisor: **RADWICK FRANCHISING, LLC**
12300 S. 62 E.
Draper, Utah 84020,
Telephone (323) 839-0389,
Attention: Bryce Rademan
Email: brycerademan@spitzrestaurant.com

If to Franchisee: _____
_____
Attention: _____
Email:

If to Landlord: _____
_____
Attention: _____
Email:

Any party may change his or its address by giving ten (10) days prior written notice of such change to all other parties.

10.3. **Waivers**. The delay, omission or forbearance by Franchisor to take action to remedy or seek damages for the breach or default of any term, covenant or condition of this Agreement or to exercise any right, power or duty arising from such breach or default shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach or default of the same or any other term, covenant or condition of this Agreement. The subsequent acceptance of performance by Franchisor shall not be deemed to be a waiver of any preceding breach or default by Franchisee other than its failure to pay the particular payment so accepted, regardless of Franchisor's knowledge of such preceding breach or default at the time of acceptance of such payment.

10.4. **Attorneys' Fees**. If any legal action is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, and any and all costs of collection, in addition to any other relief to which that party may be entitled.

10.5. **Modification**. This Agreement may be modified only by a writing executed by the party sought to be bound.

10.6. **Entire Agreement**. This Agreement, and the other agreements referred to in this Agreement, and any other agreement that may be executed by the parties concurrently with the execution of this Agreement, set forth the entire agreement and understanding of the parties with regard to the subject matter of this Agreement and any agreement, representation or understanding, express or implied, heretofore made by either party or exchanged between the parties are hereby waived and canceled.

10.7. **Cumulative Remedies**. Any specific right or remedy set forth in this Agreement, legal, equitable or otherwise shall not be exclusive, but shall be cumulative with all other rights or remedies set forth in this Agreement or allowed or allowable by law.

10.8. **Captions**. The various titles of the Sections in this Agreement are used solely for convenience and shall not be used in interpreting or construing any word, clause, Section or subparagraph of this Agreement.

10.9. **Gender**. All words used in this Agreement in the singular shall include the plural and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine.

10.10. **Successors**. This Agreement shall be binding upon all of the parties to this Agreement, their respective heirs, executors, administrators, personal representatives, successors and assigns.

10.11. **Severability**. The invalidity of any one or more of the provisions contained in this Agreement, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

10.12. **Additional Documents**. Each of the parties agrees to execute, acknowledge and deliver to the other party and to procure the execution, acknowledgment and delivery to the other party of any additional documents or instruments which either party may reasonably require to fully effectuate and carry out the provisions of this Agreement.

10.13. **Counterparts and Electronic Transmission; Electronic Signatures**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement.

10.14. **General**. Franchisee acknowledges that Franchisee has carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that Franchisee has obtained the advice of counsel in connection with entering into this Agreement, that Franchisee understands the nature of this Agreement and that Franchisee intends to comply herewith and be bound hereby. Franchisee further acknowledges that it has read and understood this Agreement and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.

10.15. **Atypical Terms**. Franchisee acknowledges and agrees that Franchisor has made no warranty or representation that all Option to Obtain Lease Assignment Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Option to Obtain Lease Assignment Agreements previously executed or executed after the date of this Agreement with other Spitz franchisees in a non-uniform manner.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

FRANCHISOR:

RADWICK FRANCHISING, LLC
A Delaware limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

_____
a _____

By: _____
Name: _____
Title: _____

LANDLORD:

_____
A _____

By: _____
Name: _____
Title: _____

FRANCHISEE:

_____
a _____

By: _____
Name: _____
Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E
MOBILE RESTAURANT ADDENDUM

NONTRADITIONAL VENUE ADDENDUM

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E
MOBILE RESTAURANT ADDENDUM

THIS MOBILE RESTAURANT ADDENDUM (this "**Addendum**") is made and entered into on _____, 20___ (the "**Effective Date**") and is intended to be a part of, and by this reference is incorporated into, that certain Franchise Agreement dated _____, 20__ (the "**Franchise Agreement**"), by and between **RADWICK FRANCHISING, LLC**, a Delaware limited liability company ("**Franchisor**"), and _____ , a _____ ("**Franchisee**").

A. Franchisor and Franchisor's affiliate developed the "**Spitz System**" for the establishment and operation of Spitz Restaurants, which are upscale quick-service restaurants offering Mediterranean-style sandwiches, wraps, salads, liquor, beer & wine and catering services ("**Spitz Restaurants**") and use the trade name and service mark "**Spitz**" and other related trademarks, service marks, logos and commercial symbols (the "**Spitz Marks**").

B. Neither the Franchisor nor its affiliate have previously granted licenses for the development, ownership or operation of self-propelled food trucks and towed trailers (collectively, "**Food Trucks**") and make no representation or warranty of any kind, expressed or implied, with respect to the suitability or likelihood of success of a Spitz food truck (a "**Mobile Restaurant**"). Franchisee desires to obtain a license and franchise to develop, own and operate one (1) Mobile Restaurant under the Spitz Marks and the Spitz System and the standards established by Franchisor at any time in its sole discretion, and Franchisor is willing to grant Franchisee a license and franchise under the terms and conditions set forth in this Addendum and the Franchise Agreement.

C. All provisions of the Franchise Agreement shall apply to a Mobile Restaurant, unless otherwise stated in this Addendum or unless the context of use indicates otherwise. All references to a "**Spitz Restaurant**" in the Franchise Agreement include a Mobile Restaurant unless the context of its use indicates otherwise. This Addendum shall replace and supplement the corresponding provisions in the Franchise Agreement that may not apply to a Mobile Restaurant unless the context of its use indicates otherwise. Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Capitalized terms used but not defined in this Addendum shall have the meaning ascribed to those terms in the Franchise Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH THE PARTIES MUTUALLY ACKNOWLEDGE, THE PARTIES MUTUALLY AGREE:

1. **GRANT**

1.1 **Recitals Incorporated in this Addendum.** The Recitals set forth in Paragraphs A through C of this Addendum are true and correct and are incorporated into this Addendum as part of this Addendum and the Franchise Agreement to which it relates.

1.2 **Grant**. Franchisor hereby grants to Franchisee the right, and Franchisee undertakes the obligation, to use the Spitz Marks and the Spitz System solely in connection with the operation of one (1) Mobile Restaurant in, and only in, the following geographic area: _____ (the "**Mobile Territory**"). Food preparation must be handled at Franchisee's Spitz Restaurant. Franchisee shall not operate a Food Truck unless Franchisee has a traditional Spitz Restaurant open and operating at the same time, as the Spitz Restaurant is required to serve as the commissary for the Food Truck.

1.3 **Mobile Territory**. During the Initial Term, if Franchisee is not in Default under the Franchise Agreement or this Addendum or any other agreement between Franchisor, its Affiliates and Franchisee, neither Franchisor nor its Affiliates shall own, operate, sell or issue a franchise for any other Mobile Restaurant to be operated within the Mobile Territory. Except as expressly provided in this Section 1.2, the license granted to Franchisee under this Addendum is

nonexclusive. Franchisee shall not operate the Mobile Restaurant within another Spitz franchisee's Protected Area or Mobile Territory. Franchisee shall not operate the Mobile Restaurant within two (2) miles of any Spitz Restaurant owned by another Spitz franchisee (a "**Protected Zone**"). Franchisor shall have the right to reduce or enlarge a Protected Zone at any time on written notice to Franchisee. If Franchisee, at any time, operates the Mobile Restaurant within another Spitz franchisee's Protected Area or Mobile Territory or a Protected Zone, Franchisee shall be in Default under the Franchise Agreement.

1.4 **Mobile Restaurant**. Franchisee shall purchase the designated type of Food Truck and the equipment, graphics and detailing, trade dress and signs designated by Franchisor only from an Approved Supplier. Franchisee shall secure its own source of financing (a "**Lender**") for the acquisition and build-out of the Mobile Restaurant who must be approved by Franchisor prior to Franchisee's execution of purchase and financing documents or pay cash for the acquisition of the Mobile Restaurant, all in the manner required by Franchisor. A Default under the financing documents for the Mobile Restaurant that is not cured within the time frame specified by the financing documents, or as modified by Lender in writing, shall constitute a Default under the Franchise Agreement.

2. INITIAL AND EXTENDED TERM

The Initial Term shall commence on the Effective Date and shall expire (i) on the expiration or termination of the Franchise Agreement; or (ii) upon the sale, lease, donation, conveyance, repossession by lender or another creditor, or total casualty loss of the Food Truck; or (iii) on the tenth anniversary of the Effective Date (the "**Addendum Expiration Date**") whichever occurs first, unless sooner terminated as provided in this Addendum or the Franchise Agreement. Franchisee shall have no right or option to extend or renew the Term except as provided in Section 2.1 of the Franchise Agreement. If Franchisee does not elect to extend the Term, this Addendum and the rights granted to operate the Mobile Restaurant under the Franchise Agreement shall terminate on the Addendum Expiration Date.

3. OPEN FOR BUSINESS

Franchisee shall Open the Mobile Restaurant for business within one hundred eighty (180) days after the Effective Date, subject only to Force Majeure, unless Franchisor agrees otherwise in writing. Franchisor shall have the right, but not the obligation, to conduct a final inspection of the Mobile Restaurant to test compliance with the Spitz System and the Manual. Franchisor's inspection is limited to that purpose and should not be relied on up for testing compliance with Applicable Law, vehicle safety considerations or mechanical soundness and functionality. To protect the reputation and goodwill of Franchisor, to maintain uniform standards of the merchandise, services, and operations offered and sold under the Spitz Marks, and to promote the goodwill of all Spitz Restaurants, the Spitz Marks and the Spitz System, Franchisee shall not Open the Mobile Restaurant without the express written authorization of Franchisor, which authorization may be conditioned upon Franchisee′s strict compliance with Franchisor's standards and specifications for the Mobile Restaurant and other requirements set forth in the Manuals and applicable to the operations of the Mobile Restaurant.

4. OBLIGATIONS OF FRANCHISEE

4.1 **Use of Mobile Restaurant**. Franchisee shall utilize the Food Truck solely for the operation of the Mobile Restaurant during the Term; shall keep the Mobile Restaurant in normal operation for the minimum hours and days as Franchisor may specify in the Manuals or otherwise in writing and shall refrain from using or permitting the use of the Mobile Restaurant for any other purpose or activity. Franchisee shall notify Franchisor of any violation of Sections 1.3 with three (3) business days after such violation.

4.2 **Standards and Specifications**. Following the Effective Date, Franchisor shall provide Franchisee with Franchisor's specifications for the Mobile Restaurant, the décor and layout of a Mobile Restaurant and the required equipment, graphics and detailing, trade dress and signs. Franchisee shall at its sole cost and expense promptly cause the Mobile Restaurant to be manufactured, equipped and improved in accordance with these standards and specifications, unless Franchisor shall, in writing, agree to any modifications thereof. Franchisee shall obtain and certify in writing to Franchisor that all applicable licenses and permits are obtained. Franchisee shall provide Franchisor with regular updates regarding the status of the manufacturing and equipping of the Mobile Restaurant.

4.3 **Maintenance of Mobile Restaurant**. Franchisee shall at all times maintain the interior and exterior of the Mobile Restaurant in the highest degree of cleanliness, orderliness and sanitation and shall also comply with the requirements of the Manuals regarding the upkeep of the Mobile Restaurant. Franchisee shall repair, re-equip and/or replace the Mobile Restaurant at Franchisee's own expense at such times as reasonably directed by Franchisor. Franchisee shall immediately comply with all Applicable Laws and orders and regulations of Governmental Authorities related to the operation of the Mobile Restaurant. Franchisee shall promptly replace worn-out or obsolete equipment at Franchisee's expense. Franchisee shall not make any alterations to the Mobile Restaurant, any equipment (including the exterior and interior of the Mobile Restaurant and related equipment), or other items, or to the appearance of the Mobile Restaurant, or the services and products offered from the Mobile Restaurant, without Franchisor's prior written approval. Franchisee shall not affix any signs or posters to the Mobile Restaurant without Franchisor's prior written consent.

4.4 **Food Truck Service Center**. Franchisee shall house the Mobile Restaurant at a sanctioned home base where the Mobile Restaurant shall be cleaned, stocked, serviced and stored when not in service (a "**Food Truck Service Center**"). The Food Truck Service Center shall provide Franchisee with a facility to purchase mobile supplies not stocked at your Spitz Restaurant, a designated parking space, truck cleaning facilities and power and water services. To protect the reputation and goodwill of Franchisor, to maintain uniform standards of the merchandise, services, and operations offered and sold under the Spitz Marks, and to promote the goodwill of all Spitz Restaurants, the Spitz Marks and the Spitz System, Franchisee shall not select or contract with a Food Truck Service Center without Franchisor's prior written approval of the Food Truck Service Center.

4.5 **Grand Opening Campaign**. Franchisee shall spend no less than $2,500 in connection with the grand opening of the Mobile Restaurant within ninety (90) days of the Opening Date. Franchisee shall provide Franchisor with copies of all invoices, statements, canceled checks or other forms of payment which have been issued by Franchisee during such ninety (90) day period which evidence the expenditure and payment by Franchisee of the amounts required by this Section 4.5 for the grand opening advertising campaign for the Mobile Restaurant.

5. DEFAULT AND TERMINATION

In addition to the rights granted to Franchisor in Article 16 of the Franchise Agreement, Franchisee shall be deemed to be in Default and Franchisor may, at its option, terminate the Franchise Agreement and all rights granted thereunder, without affording Franchisee any opportunity to cure the Default, effective immediately upon receipt of Notice of Default by Franchisor if (i) Franchisee uses the Mobile Restaurant for any purpose not authorized by the Franchise Agreement; or (ii) Franchisee, at any time, operates the Mobile Restaurant within another Spitz franchisee's Protected Area or Mobile Territory or a Protected Zone, whether intentionally or in error, after Franchisor has informed Franchisee in writing or in the Manuals about the geography of such Protected Area, Mobile Territory or Protected Zone.

6. OBLIGATIONS UPON TERMINATION AND EXPIRATION

Upon the expiration of the Franchise Agreement or the termination of the Franchise Agreement for any Default of Franchisee, Franchisor shall have the right and option, but not the obligation, to be exercised by written notice to Franchisee within thirty (30) days after the Expiration Date or termination date, to purchase the Mobile Restaurant, subject to the rights of the Lender. The purchase price for the Mobile Restaurant (the "**Purchase Price**") shall be the ″Fair Market Value″ of the Mobile Restaurant as determined under this Section 6. "**Fair Market Value**" means the price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable knowledge of the relevant facts on the date the option is first exercisable (the "**Exercise Date**"). Franchisor and Franchisee shall use their best efforts to mutually agree upon the Fair Market Value. If they are unable to so agree within thirty (30) days after the Exercise Date, Franchisor and Franchisee shall appoint, within forty (40) days of the Exercise Date, one (1) appraiser who shall determine the Purchase Price in writing and submit its report to Franchisor and Franchisee. Franchisor and Franchisee shall each pay one half (1/2) of the costs relating to the determination of the Purchase Price. The Purchase Price as so determined shall be payable as Franchisor and Franchisee mutually agree. If they are unable to so agree within ten (10) days after final determination of the Purchase Price, fifty percent (50%) of the Purchase Price shall be payable in cash and the remaining fifty percent (50%) of the Purchase Price shall be paid in forty-eight (48) equal monthly payments and shall bear simple interest in arrears at a rate of the greater of the prime rate of interest, as published by the Western Edition of the Wall Street Journal, plus three percent (3%), OR ten

percent (10%) per annum, but in no event in excess of the maximum rate permitted by Applicable Law. Payment of the portion of the Purchase Price not paid in cash shall be secured by a security interest in the Food Truck.

7. **COUNTERPARTS AND ELECTRONIC TRANSMISSION; ELECTRONIC SIGNATURES**.

This Addendum may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Addendum with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Addendum for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Addendum. In addition, this Addendum may be signed electronically by the Parties and electronic signatures appearing on this Addendum shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Addendum.

IN WITNESS WHEREOF, the Parties have executed this Addendum as of the Effective Date.

FRANCHISOR:	**FRANCHISEE:**
RADWICK FRANCHISING, LLC A Delaware limited liability company	_____ a _____
By: _____ Name: _____ Title: _____	By: _____ Name: _____ Title: _____

NONTRADITIONAL VENUE
ADDENDUM TO FRANCHISE AGREEMENT

This Addendum to Franchise Agreement (this "Addendum") is made and entered into as of _____, by and between Radwick Franchising, LLC, a Delaware limited liability company ("we," "us" or "our"), as franchisor, and _____, a _____ (you" or "your"), as franchisee. This Addendum relates to and modifies that certain Franchise Agreement ("the "Prime Agreement") between the parties. This Addendum shall be controlling in the event of any conflict between the Prime Agreement and this Addendum. All definitions in the Prime Agreement shall apply to this Addendum unless the context otherwise indicates. The parties mutually agree, for good and valuable consideration, the receipt and sufficiency of which the parties mutually acknowledge, as follows:

1. Nontraditional Venue Restaurant. You have requested, and we have approved, the development and operation of a Nontraditional Venue Restaurant to operate as a Spitz Restaurant and to be located in _____ (the "Host Facility") and within the Host Facility, in the following location (the "Location"):

2. Lease with Host Facility. You represent and warrant to us that the Lease of the Location (the "Host Lease") with the owner or landlord of the Host Facility ("Host Operator") (i) allows for the operation of the Restaurant under the Franchised System without material modification, supplier or menu limitations, (ii) provides for [a common seating area convenient to the Restaurant][no common seating area but contemplates carry out servings for all food concepts in the vicinity of the Location], (iii) allows for the installation and operation of all equipment necessary to prepare the menu items of the Franchised System as of the Effective Date, (iv) permits display of the Proprietary Marks in signage over the Location serving area, (v) [allows you to serve beer subject to licensure and compliance with applicable alcoholic beverage regulations][does not allow you to serve beer], and (v) [permits the Restaurant to open and operate during lunch and dinner hours 365 days per year][limits operation to certain event dates and times or periods when active food service at the Host Facility is permitted].

3. Confidential Information. No inspection right in the Lease shall allow or imply our consent to grant to Host Operator or its representatives access to any confidential or proprietary information we provide to you.

4. Rent Payments. You will provide us with copies of any rental reports and forms you submit to Host Operator that show the Net Cash Sales of the Restaurant or calculate any percentage rent payable under the Lease.

5. Indemnification. You acknowledge that the indemnification set forth in Section 28 of the Prime Agreement extends to any claim arising from the condition, premises or events occurring at the Host Facility, whether the Host Operator or you control the space or activity from which the claim arises.

6. Local Marketing. You will receive credit toward your local marketing expense requirement under Section 13 of the Prime Agreement for the documented amounts you contribute to the marketing or advertising cooperative of the Host Facility.

7. Upgrade of Restaurant. You represent to us that the Lease will permit you to upgrade the Restaurant as and when contemplated by the Prime Agreement, subject only to Host Operator approval, which it may not unreasonably withhold or delay.

8. Technology & Communications. You represent to us that the Host Facility will support and the Lease allows you to install and maintain the technology and communications we require for the Restaurant as of the Effective Date under the Franchised System.

9. New Menu Items. Notwithstanding the Prime Agreement, you will not be obligated to prepare and serve any new menu item that we mandate under the Franchised System after the Effective Date if such item is prohibited under the Lease.

10. Protected Area. The Protected Area will be: The interior of the Host Facility.

In witness whereof, the parties have executed and delivered this Agreement, intending to be legally bound, as of the Effective Date.

Radwick Franchising, LLC _____

By: _____ By: _____
Its: _____ Its: _____
Effective Date:_____ Date: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT F
CONFIDENTIALITY AGREEMENT FOR PROSPECTIVE FRANCHISEES

RADWICK FRANCHISING, LLC

CONFIDENTIALITY AGREEMENT

RADWICK FRANCHISING, LLC
CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this "Agreement") is made this ____ day of _____, 20__, by and between RADWICK FRANCHISING, LLC, a Delaware limited liability company (″Franchisor″), on the one hand, and _____, a _____ ("Candidate″), on the other hand, with reference to the following facts:

A. Franchisor has developed the "Spitz System" for the establishment and operation of Spitz Restaurants which are upscale quick-service restaurants offering Mediterranean-style sandwiches, wraps, salads, and gelato, liquor, beer & wine and catering services ("Spitz Restaurants") and use the trade name and service mark "Spitz" and other related trademarks, service marks, logos and commercial symbols (the "Spitz Marks"). The "Spitz System" means the unique system developed by Franchisor that includes operating methods and business practices related to Spitz Restaurants, the relationship between Franchisor and its franchisees, interior and exterior Spitz Restaurant design, other items of trade dress, specifications for equipment, fixtures and uniforms, defined product offerings, recipes and preparation methods, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs, and Franchisor's website, all as Franchisor may modify the same from at any time in its sole discretion.

B. Franchisor has the right to use, and to license others to use, the Spitz Marks and the Spitz System, and has, as a result of its expenditure of time, skill, effort, and money, developed a distinctive franchise model for qualified franchisees to obtain the right to operate a Spitz Restaurant using the Spitz Marks and the Spitz System.

C. Franchisor may provide Candidate with confidential and proprietary information regarding the Spitz System prior to granting or declining to grant Candidate a franchise or entering into a franchise agreement with Candidate. Franchisor desires that Candidate maintain the confidentiality of all such confidential and proprietary information on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH THE PARTIES MUTUALLY ACKNOWLEDGE, THE PARTIES MUTUALLY AGREE:

1. **INCORPORATION OF RECITALS**

The recitals set forth in Paragraphs A through C above are true and correct and are hereby incorporated by reference into the body of this Agreement.

2. **CONFIDENTIALITY**

Candidate acknowledges and agrees:

2.1 **Confidential Information**. That Candidate′s knowledge of the elements of the Spitz System and any other proprietary data that may be disclosed to Candidate by Franchisor, or any affiliate of Franchisor, including, without limitation, any and all confidential and/or proprietary knowledge, data or information of a party and any and all confidential and/or proprietary knowledge, data or information which a party has obtained or obtains from another person or entity and which a party treats as proprietary or designates (whether or not in writing or electronic form) as "Confidential Information". By way of illustration, but not limitation, "Confidential Information" includes tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, styles, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of

employees and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, the Spitz System, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential. Confidential Information also includes the manner in which any of the above-described items may be combined with any other information or products or synthesized or used by Candidate. Confidential Information does not include any information that was in the lawful and unrestricted possession of Candidate prior to its disclosure by Franchisor; is or becomes generally available to the public by acts other than those of Candidate after receiving it; has been received lawfully and in good faith by Candidate from a third party who did not derive it from Franchisor or Candidate; or is shown by acceptable evidence to have been independently developed by Candidate.

2.2 **Value**. That the Confidential Information has been developed by Franchisor and its affiliates by the investment of time, skill, effort and money and is widely recognized by the public and is of substantial value.

2.3 **Proprietary**. That the Confidential Information is proprietary, confidential and constitutes a trade secret of Franchisor and its affiliates.

2.4 **Maintain Confidentiality**. That Candidate will fully and strictly maintain the confidentiality of the Confidential Information, will exercise the highest degree of diligence in safeguarding the Confidential Information and will not disclose or reveal the Confidential Information to any person other than another person who is actively and directly participating in the acquisition of the franchise with Candidate, but only after first disclosing the identity of such person to Franchisor in writing and obtaining such person's signature on a Non-Disclosure Agreement similar to this Agreement, unless covered by attorney-client privilege.

2.5 **Reproduction and Use**. That Candidate will not directly or indirectly reproduce, reverse engineer, or copy any Confidential Information or any part thereof and will make no use of any Confidential Information for any purpose whatsoever unless and until Candidate becomes a franchisee of Franchisor, and then only in accordance with the provisions of Candidate's Franchise Agreement.

3. GENERAL

3.1 **Injunction**. Candidate recognizes the unique value and secondary meaning attached to the Confidential Information and the elements of the Spitz System and agrees that any noncompliance with the terms of this Agreement or any unauthorized or improper use of the Confidential Information will cause irreparable damage to Franchisor and its franchisees. Candidate therefore agrees that if Candidate should engage in any such unauthorized or improper use of the Confidential Information, Franchisor shall be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction without notice or the posting of any bond, in addition to any other remedies prescribed by law.

3.2 **Heirs and Successors**. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

3.3 **Entire Agreement**. This Agreement represents the entire understanding between the parties regarding the subject matter of this Agreement and supersedes all other negotiations, agreements, representations and covenants, oral or written. This Agreement may not be modified except by a written instrument signed by Franchisor and Candidate that expressly modifies this Agreement. The parties intend this Agreement to be the entire integration of all of their agreements on this subject of any nature regarding the subject matter of this Agreement. No other agreements, representations, promises, commitments or the like, of any nature, exist between the parties.

3.4 **No Warranties**. Candidate acknowledges and agrees that Franchisor has made no promises, representations or warranties to Candidate that are inconsistent with the terms of this Agreement or Franchisor′s Franchise Disclosure Document concerning the profitability or likelihood of success of the Spitz Restaurant, that Candidate has been informed by Franchisor that there can be no guaranty of success in the Spitz Restaurant and that Candidate′s business ability and aptitude are primary in determining his success.

3.5 **No Right to Use the Spitz System or the Spitz Marks**. This Agreement is not a Franchise Agreement or a license of any sort, and does not grant Candidate any right to use or to franchise or license the use of, the Confidential Information, which right is expressly reserved by Franchisor.

3.6 **Waiver**. Failure by Franchisor to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including a waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance.

3.7 **Validity**. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portions and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in full force and effect.

3.8 **Headings and Gender**. The headings herein are for purposes of convenience only and shall not be used in construing the provisions hereof. As used herein, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

3.9 **Attorneys′ Fees**. If Franchisor becomes a party to any legal proceedings concerning this Agreement by reason of any act or omission of Candidate or its authorized representatives, Candidate shall be liable to Franchisor for the reasonable attorneys′ fees and court costs incurred by Franchisor in the legal proceedings. If either party commences a legal proceeding against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys′ fees and costs of suit.

3.10 **Cumulative Remedies**. Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise, shall not be exclusive, but shall be cumulative with all other rights or remedies set forth herein or allowed or allowable by law.

3.11 **Notices**. All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery or by certified mail. Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; or (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid. Notices and demands shall be given to the respective Parties at the following addresses, unless and until a different address has been designated by written notice to the other Party:

Notices to Franchisor: Radwick Franchising, LLC
12300 S. 62 E.
Draper, Utah 84020,
Telephone (323) 839-0389,
Attention: Bryce Rademan
Email: brycerademan@spitzrestaurant.com

Notices to Candidate: _____
_____
Attention: _____
_____

Either party may change its address for the purpose of receiving notices, demands and other communications by a written notice given in the manner set forth above to the other party.

3.12 **Governing Law**. This Agreement takes effect upon its acceptance and execution by Franchisor in Utah, and shall be interpreted and construed under the laws of Delaware.

3.13 **Venue**. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought within the city and county in which Franchisor has its principal place of business at the time the action is initiated, and the parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

3.14 **Counterparts and Electronic Transmission; Electronic Signatures**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

FRANCHISOR:	**FRANCHISEE:**
RADWICK FRANCHISING, LLC A Delaware limited liability company	_____ a _____
By: _____ Name: _____ Title: _____	By: _____ Name: _____ Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT G
NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT
FOR EMPLOYEES OF FRANCHISEE

RADWICK FRANCHISING, LLC

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

FOR EMPLOYEES AND INDEPENDENT CONTRACTORS OF FRANCHISEE

RADWICK FRANCHISING, LLC
NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

THIS NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT (this **"Agreement"**) is made this ____ day of _____, 20__ (the **"Effective Date"**), by and between _____ ("**Franchisee**"), on the one hand, and _____ (**"Recipient"**), on the other hand, with reference to the following facts:

A. Radwick Franchising, LLC, a Delaware limited liability company (**"Franchisor"**), has developed the **"Spitz System"** for the establishment and operation of Spitz Restaurants which are upscale quick-service restaurants offering Mediterranean-style sandwiches, wraps, salads, and gelato, liquor, beer & wine and catering service (**"Spitz Restaurants"**), and use the trade name and service mark **"Spitz"** and other related trademarks, service marks, logos and commercial symbols (the **"Spitz Marks"**).

B. The Spitz System includes, without limitation, the operations and training manuals and any other written directives related to the Spitz System (the **"Manuals"**), the operating methods and business practices related to Spitz Restaurants, the relationship between Franchisor and its franchisees, interior and exterior Spitz Restaurant design, other items of trade dress, specifications for equipment, fixtures and uniforms, defined product offerings, recipes and preparation methods, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs, and Franchisor's website (collectively, the **"Spitz Confidential Information"**), all of which may be modified by Franchisor from time to time and may be disclosed to Recipient by Franchisee.

C. Franchisor has and continues to protect the confidentiality of the Spitz Confidential Information by, among other things, (i) not revealing the confidential contents of the Spitz Confidential Information to unauthorized parties; (ii) requiring Spitz franchisees to acknowledge and agree in writing that the Spitz Confidential Information is confidential; (iii) requiring Spitz franchisees to agree in writing to maintain the confidentiality of the Spitz Confidential Information; (iv) monitoring electronic access to the Spitz Confidential Information by the use of passwords and other restrictions so that electronic access to the Spitz Confidential Information is limited to authorized parties; and (v) requiring its franchisees to return all Spitz Confidential Information to Franchisor upon the expiration and termination of their Franchise Agreements.

D. Franchisor and Franchisee have entered into a Franchise Agreement under which Franchisor has granted Franchisee the right to own and operate a Spitz Restaurant (the **"Spitz Restaurant"**) and to use the Spitz System, the Spitz Marks, the Manuals, and the Spitz Confidential Information in the operation of the Spitz Restaurant.

E. Franchisee is obligated under its Franchise Agreement with Franchisor to obtain a written agreement from all supervisorial and managerial personnel employed by Franchisee and each independent contractor engaged by Franchisee who may have access to the Spitz Confidential Information and who may be the recipient of the disclosure of the Spitz Confidential Information to maintain the confidentiality of the Spitz Confidential Information, to obtain the written agreement from all supervisorial and managerial personnel employed by Franchisee and each independent contractor to not use the Spitz Confidential Information other than in the course of his or her employment or engagement by Franchisee and to not disclose any of the Spitz Confidential Information to any unauthorized parties during the period of time that he or she is providing services for Franchisee and forever after his or her employment or engagement by Franchisee ends.

NOW, THEREFORE, IT IS AGREED:

1. ACKNOWLEDGMENTS OF RECIPIENT

1.1 **No Prior Experience, Information or Knowledge**. Prior to his or her employment or engagement by Franchisee, Recipient had no experience, information or knowledge whatsoever about a restaurant business that sells Mediterranean style food as its primary menu item. Recipient′s knowledge of the Spitz Confidential Information was obtained only from Franchisee following the Effective Date and only in the course of Recipient's employment or engagement by Franchisee.

1.2 **Spitz Confidential Information**. The Spitz Confidential Information includes all of the items included elsewhere in this Agreement and, in addition, without limitation, all tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, styles, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer lists and customer data, customer service purchasing histories and prices charged to customers, information regarding the skills and compensation of employees and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, the Spitz System, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential. Confidential Information also includes the manner in which any of the above described items may be combined with any other information or products or synthesized or used by Recipient. Confidential Information does not include any information that was in the lawful and unrestricted possession of Recipient prior to its disclosure by Franchisee to Recipient; is or becomes generally available to the public by acts other than those of Recipient after receiving it; has been received lawfully and in good faith by Recipient from a third party who did not derive it from Franchisor, Franchisee or Recipient; or is shown by acceptable evidence to have been independently developed by Recipient.

1.3 **Independent Value**. The Spitz Confidential Information (i) is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Franchisee; (ii) derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or Franchisee; and (iii) is the subject of extensive efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Spitz Confidential Information.

1.4 **Valuable and Proprietary**. The Spitz Confidential Information has been developed by Franchisor, its founder and their affiliates by the investment of time, skill, effort and money and is widely recognized by the public, of substantial value, and is proprietary, confidential and constitutes trade secrets of Franchisor, its founder and their affiliates.

2. COVENANTS OF RECIPIENT

Recipient agrees that so long as Recipient is employed or engaged by Franchisee and forever after his or her employment or engagement by Franchisee ends:

2.1 **Maintain Confidentiality**. Recipient will fully and strictly maintain the confidentiality of the Spitz Confidential Information, will exercise the highest degree of diligence in safeguarding the Spitz Confidential Information and will not disclose or reveal the Spitz Confidential Information to any person other than Franchisee or other personnel employed by Franchisee or independent contractors engaged by Franchisee while a supervisorial or managerial employee or independent contractor of Franchisee and will then do so only to the degree necessary to carry out Recipient's duties as a supervisorial or managerial employee or independent contractor of Franchisee.

2.2 **No Reproduction or Use**. Recipient will not directly or indirectly reproduce, reverse engineer or copy any Spitz Confidential Information and will make no use of any Spitz Confidential Information for any purpose whatsoever except as may be required while Recipient is employed or engaged by Franchisee and will then do so only in accordance with the provisions of this Agreement and only to the degree necessary to carry out Recipient's duties as a supervisorial or managerial employee or independent contractor of Franchisee.

2.3 **Restrictions**. Recipient specifically acknowledges and agrees Recipient may receive valuable specialized training and Spitz Confidential Information, including, without limitation, Spitz Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Spitz System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy. Recipient therefore covenants that while employed or engaged by Franchisee, Recipient shall not, either directly or indirectly, for himself or herself, or through, on behalf of, or in conjunction with any person, or legal entity (i) divert or attempt to divert any present or prospective Spitz Client to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Spitz Marks and the Spitz System; or (ii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any restaurant business that prepares, offers and sells Mediterranean style food products as a primary menu item and any restaurants business that looks like, copies, imitates, or operates a business similar to a Spitz Restaurant.

2.4 **Third Party Beneficiary**. Franchisor is, and shall be and remain, a third-party beneficiary of this Agreement and will have the independent right to enforce the terms of this Agreement.

3. GENERAL TERMS

3.1 **Injunction**. Recipient recognizes the unique value and secondary meaning attached to the Spitz Confidential Information and the elements of the Spitz System and agrees that Recipient's noncompliance with the terms of this Agreement or any unauthorized or improper use of the Spitz Confidential Information by Recipient will cause irreparable damage to Franchisor and its franchisees. Recipient therefore agrees that if Recipient should engage in any unauthorized or improper use or disclosure of the Spitz Confidential Information, Franchisor and Franchisee, independently, will be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction without notice or the posting of any bond, to prevent any unauthorized or improper use or disclosure of the Spitz Confidential Information in addition to any other remedies prescribed by law. Due to the irreparable damage that would result to Franchisor and Franchisee from any violation of this Agreement, Recipient acknowledges and agrees that any claim Recipient believes he or she may have against Franchisor or Franchisee will be deemed to be a matter separate and apart from Recipient's obligations under this Agreement and will not entitle Recipient to violate or justify any violation of the provisions of this Agreement.

3.2 **Heirs and Successors; Entire Agreement**. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns. This Agreement represents the entire understanding between the parties regarding the subject matter of this Agreement and supersedes all other negotiations, agreements, representations and covenants, oral or written. This Agreement may not be modified except by a written instrument signed by Franchisor and Recipient that expressly modifies this Agreement. The parties intend this Agreement to be the entire integration of all of their agreements on this subject of any nature regarding the subject matter of this Agreement. No other agreements, representations, promises, commitments or the like, of any nature, exist between the parties.

3.3 **No Right to Use Spitz Marks or Spitz System**. This Agreement is not a license of any sort, and does not grant Recipient any right to use or to license the use of, the Spitz Confidential Information, which right is expressly reserved by Franchisor.

3.4 **Waiver and Validity**. Failure by Franchisor to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including a waiver of default in any one instance, shall not constitute a continuing waiver or a waiver in any other instance. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portions and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in full force and effect.

3.5 **Headings and Gender**. The headings in this Agreement are for purposes of convenience only and shall not be used in construing the provisions of this Agreement. As used in this Agreement, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

3.6 **Attorneys′ Fees**. If Franchisor becomes a party to any legal proceedings concerning this Agreement by reason of any act or omission of Recipient, Recipient shall be liable to Franchisor for the reasonable attorneys′ fees and court costs incurred by Franchisor in the legal proceedings. If any party to this Agreement commences any legal proceeding against another party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorneys′ fees and costs of suit.

3.7 **Cumulative Remedies**. Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise, shall not be exclusive, but shall be cumulative with all other rights or remedies set forth herein or allowed or allowable by law.

3.8 **Notices**. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties under this Agreement shall be deemed delivered at the time delivered by hand, one (1) business day after transmission by fax or email (with a confirmation copy sent by regular United States mail), or three (3) days after placement in the United States mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed as follows:

Any notice or demand to Franchisee shall be given to:

_____
_____
_____
_____
Fax: _____

With a copy to:

Radwick Franchising, LLC
12300 S. 62 E.
Draper, Utah 84020,
Telephone (323) 839-0389,
Attention: Bryce Rademan
Email: brycerademan@spitzrestaurant.com

Any notice or demand to Recipient shall be given to:

_____
_____
_____
_____
Email: _____

Any party may change its address for the purpose of receiving notices, demands and other communications by a written notice given in the manner set forth above to the other party.

3.9 **Counterparts and Transmission; Electronic Signatures**. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this Agreement on the Effective Date.

FRANCHISEE:	**RECIPIENT:**
_____	_____
A _____	a _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT H
GENERAL RELEASE

RADWICK FRANCHISING, LLC
GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (this "**Release Agreement**") is made and entered into as of _____ _____ (the "**Effective Date**"), by and among RADWICK FRANCHISING, LLC, a Delaware limited liability company ("**Franchisor**"), on the one hand, and a _____ _____ ("**Franchisee**"), and _____ ("**Owner**"), on the other hand, who are collectively referred to in this Release Agreement as the "**Releasing Parties**", with reference to the following facts:

A. Franchisor and Franchisee are parties to that certain Franchise Agreement and related ancillary agreements dated _____ (collectively, the "**Franchise Agreement**") pursuant to which Franchisor granted Franchisee a license (the "**License**") to use the service mark and trade names "**Spitz**" and other related trademarks, service marks, logos and commercial symbols (the "**Spitz Marks**") and the "**Spitz System**" (the "**System**") in connection with the operation of a Spitz Restaurant (the "**Restaurant**") located at _____ (the "**Franchised Location**").

B. Franchisee desires to enter into a _____.

C. This Release Agreement has been requested at a juncture in the relationship of the parties where Franchisor is considering either a change or an expansion of the relationship between the parties and/or their affiliates. Franchisor is unwilling to make the anticipated change or expansion in the relationship of the parties unless it is certain that it is proceeding with a "clean slate" and that there are no outstanding grievances or Claims against it. Releasing Parties, therefore, give this Release Agreement as consideration for receiving the agreement of Franchisor to an anticipated change or expansion of the relationship between the parties. Releasing Parties acknowledges that this Release Agreement is intended to wipe the slate clean.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH THE PARTIES MUTUALLY ACKNOWLEDGE, THE PARTIES MUTUALLY AGREE:

1. **DEFINITIONS**. As used in this Release Agreement, the following capitalized terms have the meanings ascribed to them.

1.1 "**Claims**" means all actual and alleged claims, demands, Losses, charges, agreements (whether written or oral), covenants, responsibilities, warranties, obligations, contracts (whether oral or written), debts, violations, suits, counterclaims, cross claims, third party claims, accounts, liabilities, costs, expenses (including attorneys' fees and court costs), rights to terminate and rescind, rights of action and causes of action of any kind or nature, whatsoever, whether known or unknown, matured or unmatured, accrued or unaccrued, suspected or unsuspected, contingent or non-contingent, liquidated or unliquidated, choate or inchoate, and whether or not asserted, threatened, alleged, or litigated, at law, equity, or otherwise.

1.2 "**Constituents**" means past, present and future affiliates, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

1.3 "**Excluded Matters**" means Franchisor's continuing contractual obligations which arise or continue under and pursuant to the Franchise Agreement on and after the date of this Release Agreement.

1.4 "**Franchisor Released Parties**" means Franchisor and each of its Constituents.

1.5 "**Losses**" means all damages, debts, liabilities, accounts, suits, awards, judgments, payments, diminutions in value and other losses, costs and expenses, however suffered or characterized, all interest thereon, all costs and expenses of investigating any Claim, reference proceeding, lawsuit or arbitration and any appeal therefrom,

all actual attorneys' fees incurred in connection therewith, whether or not such Claim, reference proceeding, lawsuit or arbitration is ultimately defeated and, all amounts paid incident to any com- promise or settlement of any such Claim, reference proceeding, lawsuit or arbitration.

2. **GENERAL RELEASE AGREEMENT**. Releasing Parties, for themselves and their Constituents, hereby release and forever discharge Franchisor Released Parties from any and all Claims, whether known or unknown, based upon anything that has occurred or existed, or failed to occur or exist, from the beginning of time to the Effective Date, including, without limitation any and all Claims which relate to the Franchise Agreement, the Restaurant, the System, the License, the Spitz Marks, and the Franchised Location, or to any other agreement entered into prior to the Effective Date between Franchisor Released Parties, on the one hand, and Releasing Parties, on the other hand, except for the Excluded Matters and obligations under this Release Agreement. This waiver, release and discharge is effective immediately in its fullest and most comprehensive sense.

3. WAIVER OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE.

3.1 Section 1542 of the California Civil Code. Releasing Parties, for themselves and their Constituents, acknowledge that they are familiar with Section 1542 of the California Civil Code, which reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

3.2 **Waiver**. With respect to those Claims being released pursuant to Section 2, Releasing Parties, for themselves and their Constituents, acknowledge that they are releasing unknown Claims and waive all rights they have or may have under Section 1542 of the California Civil Code or any other statute or common law principle of similar effect. For purposes of this Section 3, Releasing Parties shall be considered to be creditors of the Franchisor Released Parties, and each of them.

4. **UNKNOWN CLAIMS**. Releasing Parties acknowledge and agree that among the wide and comprehensive range of Claims being waived, released, and discharged by this Release Agreement, they are waiving, releasing, and discharging unknown and unsuspected Claims which, if known or suspected by Releasing Parties to exist in their favor at the time of executing this Release Agreement, may have materially affected Releasing Parties' decision to enter into this Release Agreement. It is understood by Releasing Parties that, after the Effective Date, the facts under which this Release Agreement is entered into may turn out to be other than or different from the facts Releasing Parties knew or believed to be true on the Effective Date. Releasing Parties, therefore, expressly assume the risk of the facts turning out to be so different and agree that this Release Agreement shall be in all respects final and effective and not subject to termination or rescission by any such difference in facts.

5. **REPRESENTATIONS AND WARRANTIE**S. Releasing Parties hereby represent and warrant that, in entering into this Release Agreement, Releasing Parties: (i) are doing so freely and voluntarily, either upon the advice of counsel and business advisors of Releasing Parties' own choosing, or without such advice because Releasing Parties, free from coercion, duress or fraud, declined to obtain such advice; (ii) have read and fully understand the terms and scope of this Release Agreement; (iii) understand that this Release Agreement is final and conclusive, and intends to be final and conclusive, as to the matters set forth in this Release Agreement; and (iv) have not assigned, transferred, or conveyed to any third party all or any part of their interest, or any contingent interest, in any of the Claims released by this Release Agreement now or in the future, and are aware of no third party who contends or claims otherwise, and shall not purport to assign, transfer, or convey any interest in any such Claim after the Effective Date.

6. **COVENANTS NOT TO SUE**. Releasing Parties hereby irrevocably covenant that they will not, directly or indirectly: (i) commence, initiate, or cause to be commenced or initiated any proceeding, claim, or demand of any kind against Franchisor Released Parties based upon any Claims released under this Release Agreement; or (ii) assist

or encourage any person or entity to investigate, inquire into, commence, initiate, or cause to be commenced or initiated any proceeding, claim, or demand of any kind against Franchisor Released Parties based upon any Claims released under this Release Agreement.

7. **INDEMNITY**. Without in any way limiting any of the rights and remedies otherwise available to the Franchisor Released Parties, Releasing Parties shall defend, indemnify and hold harmless each Franchisor Released Party from and against all Claims whether or not involving third-party Claims, arising directly or indirectly from or in connection with: (i) the assertion by or on behalf of Releasing Parties or their Constituents of any Claim or other matter released pursuant to this Release Agreement; (ii) the assertion by any third party of any Claim or demand against any Franchisor Released Party which Claim or demand arises directly or indirectly from, or in connection with, any Claims or other matters released pursuant to this Release Agreement; (iii) any breach of representations, warranties or covenants hereunder by Releasing Parties or its Constituents; or (iv) the Franchise Agreement, the Restaurant, the Franchised Location, and/or any and all claims of creditors, customers, vendors, suppliers or invitees of the Restaurant, or other third parties, for obligations incurred and/or acts or omissions to act by Franchisee, both prior to and following the Effective Date.

8. GENERAL PROVISIONS.

8.1 **Amendment**. This Release Agreement cannot be modified, altered or otherwise amended except by an agreement in writing signed by all of the parties.

8.2 **Entire Agreement**. This Release Agreement, together with the agreements referenced in this Release Agreement, constitute the entire understanding between and among the parties with respect to the subject matter of this Release Agreement and supersedes any prior negotiations and agreements, oral or written, with respect to the subject matter of this Release Agreement. The Recitals set forth in Paragraphs A through C of this Release Agreement are true and correct and are incorporated into this Release Agreement as part of this Release Agreement.

8.3 **Counterparts and Electronic Transmission; Electronic Signatures**. This Release Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Release Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Release Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Release Agreement. In addition, this Release Agreement may be signed electronically by the parties and electronic signatures appearing on this Release Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Release Agreement.

8.4 **Heirs, Successors and Assigns**. This Release Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and permitted assigns. In addition, each of Franchisor Released Parties that is not a party shall be a third party beneficiary of this Release Agreement, with the right to enforce this Release Agreement for his, her, or its benefit, whether acting alone or in combination with any other Franchisor Released Party.

8.5 **Interpretation**. The rule that an agreement is to be construed against the party drafting the agreement is hereby waived by the parties, and shall have no applicability in construing this Release Agreement or any of its terms. The headings used in this Release Agreement are for purposes of convenience only and shall not be used in construing the provisions of this Release Agreement. As used in this Release Agreement, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

8.6 **Severability and Validity**. Any provision of this Release Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions of this Release Agreement or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

8.7 **Governing Law and Venue**. This Release Agreement shall be interpreted and construed under the laws of Delaware. In the event of any conflict of law, the law of Delaware shall prevail, without regard to the

application of Delaware conflict of law rules. If, however, any provision of this Release Agreement would not be enforceable under the laws of Delaware, and if the Restaurant is located outside of Delaware and such provision would be enforceable under the laws of the state in which the Restaurant is located, then such provision shall be interpreted and construed under the laws of that state. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought the in state courts of Utah located in Salt Lake City, or the United States District Court for the District of Utah, and the parties hereby consent to the personal jurisdiction of and venue in such courts and waive all defenses to of personal jurisdiction or venue for the purpose of carrying out this provision.

8.8 **Authority of Franchisor**. Franchisor represents and warrants that (i) Franchisor has the power and authority to enter into this Release Agreement and to perform its obligations under this Release Agreement without the approval or consent of any other person or entity, and (ii) the individual who executes this Release Agreement on Franchisor's behalf is duly authorized to do so without the approval or consent of any other person or entity.

8.9 **Authority of Releasing Parties**. Releasing Parties represent and warrant that (i) they have the power and authority to enter into this Release Agreement and to perform their obligations under this Release Agreement without the approval or consent of any other person or entity, and (ii) the individuals who execute this Release Agreement on Releasing Parties' behalves are duly authorized to do so without the approval or consent of any other person or entity.

8.10 **No Waiver**. No delay, waiver, omission, or forbearance on the part of any party to exercise any right, option, duty, or power arising out of any breach or default by any other party of any of the terms, provisions, or covenants of this Release Agreement, and no custom or practice by the parties at variance with the terms of this Release Agreement, shall constitute a waiver by any party to enforce any such right, option, or power as against the other parties, or as to a subsequent breach or default by the other parties.

8.11 **Attorneys′ Fees**. If any legal action is brought to enforce the terms of this Release Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, and any and all costs of collection, in addition to any other relief to which that party may be entitled.

8.12 **Further Acts**. The parties agree to execute, acknowledge and deliver to any requesting party, and to procure the execution, acknowledgment and delivery to any requesting party, of any additional documents or instruments which the requesting party may reasonably require to fully effectuate and carry out the provisions of this Release Agreement.

(Signature page follows)

IN WITNESS WHEREOF, the undersigned have executed this Release Agreement as of the Effective Date.

FRANCHISOR:

RADWICK FRANCHISING, LLC
A Delaware limited liability company

By: _____
Name: Bryce Rademan
Title: President

RELEASING PARTIES:

FRANCHISEE:

_____
A_____

By: _____
Name: _____
Title: _____

OWNER:

_____
_____, an individual

_____
_____, an individual

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT I
FRANCHISE COMPLIANCE CERTIFICATE FORMS

RADWICK FRANCHISING, LLC
CLOSING ACKNOWLEDGMENT

NOT FOR USE BY FRANCHISEES OF OR FOR FRANCHISES LOCATED IN CALIFORNIA, MARYLAND, MINNESOTA, VIRGINIA OR WASHINGTON

DO NOT SIGN THIS DOCUMENT IF YOU ARE A RESIDENT OF CALIFORNIA OR THE BUSINESS IS TO BE OPERATED IN CALIFORNIA

DO NOT SIGN THIS DOCUMENT IF YOU ARE A RESIDENT OF MARYLAND OR THE BUSINESS IS TO BE OPERATED IN MARYLAND

DO NOT SIGN THIS DOCUMENT IF YOU ARE A RESIDENT OF WASHINGTON OR THE BUSINESS IS TO BE OPERATED IN WASHINGTON

As you know, Radwick Franchising, LLC, a Delaware limited liability company ("we" or ″Franchisor″), and you ("you" or "Franchise Applicant") intend to enter into a Franchise Agreement to operate a are preparing to enter into a Franchise Agreement for the establishment and operation of a ″Spitz Restaurant″ franchised business. The purpose of this Closing Acknowledgment is to determine whether any statements or promises were made to you on which you have relied that we have not authorized or that may be untrue, inaccurate or misleading.

If you are intending to purchase an existing Spitz Restaurant from an existing Franchisee, you may have received information from the transferring Franchisee, who are not employees or representatives of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee.

Please review each of the following questions and statements carefully and provide honest and complete responses to each.

Are you seeking to enter into the Franchise Agreement along with a purchase or transfer of an existing Spitz Restaurant from an existing Franchisee?

Yes ___ No ___

I had my first face-to-face meeting with a Franchisor representative on _____ [date].

Acknowledgments and Representations*.

Did you receive a copy of our Franchise Disclosure Document ("FDD") (and all exhibits and attachments) at least 14 calendar days (or at the first personal meeting in Iowa or New York, or least 10 business days if you are in Connecticut, Michigan or New York), before you signed the Franchise Agreement and any Area Development Agreement? **Check one: (__) Yes (__) No**. If no, please tell us if and when you received the FDD and when you signed the Franchise Agreement. Please explain why you signed the Franchise Agreement or Area Development Agreement before the 14 days expired:

_____

*Such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law, if either or both such laws apply to this transaction.

_____

Did you understand all the information in the FDD and your rights and obligations under the Franchise Agreement and Area Development Agreement? **Check one: (__)Yes (__) No**. If no, please comment:

_____

_____

Did you receive a copy of the Franchise Agreement or Area Development Agreement at least 7 days before you signed the Agreement? **Check one: (__) Yes (__) No**. If no, tell us when you received the Franchise Agreement and when you signed it. Please explain why you signed the Franchise Agreement or Area Development Agreement when you did:

_____

_____

Have you studied and reviewed carefully our FDD and the Franchise Agreement (and the Area Development if you are signing one) you received? **Check one: (__)Yes (__) No**. If no, please comment:

_____

_____

Was any oral, written or visual claim, statement, presentation or representation made to you on which you relied in making your decision to sign the Franchise Agreement or Area Development Agreement that contradicted the disclosures in the FDD? **Check one: (__) Yes (__) No.** If yes, please explain in detail the oral, written or visual statement, presentation, claim or representation:

_____

_____

Except for any financial performance representation included as Item 19 in our FDD, did any employee or other person speaking on our behalf make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Franchised Business franchise, or the likelihood of success at your Franchised Business on which you relied in making your decision to sign the Franchise Agreement? **Check one: (__) Yes (__) No**. If yes, please explain in detail who made and what you understand is the oral, written or visual claim, statement, promise or representation:

_____

_____

Except for any financial performance representation included as Item 19 in our FDD did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD on which you relied in making your decision to sign the Franchise Agreement or Area Development Agreement? **Check one: (__) Yes (__) No.** If yes, please identify who made the statement or promise and what you understand are the details of the statement or promise.

_____

_____

Do you understand that the franchise granted in the Franchise Agreement (a) allows you to operate a Franchised Business only at the Franchised Location, (b) prevents us from operating or franchising another Franchised Business only in the Protected Area described in the Franchise Agreement, (c) allows us to operate or franchise a Franchised Business anywhere outside the Protected Area, and (d) allows us to open and operate or authorize any other party to open and operate a Nontraditional Concept Retailer in your Protected Area? **Check one: (__) Yes (__) No**. If no, please comment:

_____

_____

Do you understand that the Franchise Agreement or Area Development Agreement contains the entire agreement between you and us concerning the franchise for the Franchised Business or the development rights we grant to you, meaning that any prior oral or written statements or agreements not set out in the Franchise Agreement, the Area Development Agreement or the FDD will not be binding? **Check one: (__) Yes (__) No**. If no, please comment:

_____

_____

Do you understand that the success or failure of your franchise or Area Development business will depend in large part upon your skills and experience, your business acumen, the hours you work, the location you select, your management of your Franchised Business, the prices you set, the local market for a Franchised Business, interest rates, the economy, inflation, the number and competence of employees or contractors you hire and their compensation, competition, financing terms and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you buy or open your franchise may change? **Check one: (__) Yes (__) No.** If no, please comment:

_____

_____

You understand that your answers are important to us and that we will rely on them. By signing this acknowledgment, you are representing that you have considered each question carefully and responded truthfully to the above questions. If more space is needed for any answer, please continue on a separate sheet, attach it, date it and initial the sheet.

NOTE: IF THE FRANCHISEE IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS GUARANTORS MUST EXECUTE THIS ACKNOWLEDGMENT.

FRANCHISE APPLICANT:

(IF FRANCHISE APPLICANT IS AN INDIVIDUAL):

Signature: _____

Name: _____
Title: _____
Date: _____

FRANCHISE APPLICANT:

(IF FRANCHISE APPLICANT IS AN CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Print Name of Franchise Applicant entity]

By: _____

Name: _____
Title: _____
Date: _____

RADWICK FRANCHISING, LLC
CLOSING ACKNOWLEDGEMENT

For use in Minnesota and Virginia only

DO NOT SIGN THIS DOCUMENT IF YOU ARE A RESIDENT OF CALIFORNIA OR THE BUSINESS IS TO BE OPERATED IN CALIFORNIA

DO NOT SIGN THIS DOCUMENT IF YOU ARE A RESIDENT OF MARYLAND OR THE BUSINESS IS TO BE OPERATED IN MARYLAND

DO NOT SIGN THIS DOCUMENT IF YOU ARE A RESIDENT OF WASHINGTON OR THE BUSINESS IS TO BE OPERATED IN WASHINGTON

As you know, Radwick Franchising, LLC "we" or ″Franchisor″) and you ("you" or "Franchise Applicant") are preparing to enter into a Franchise Agreement for the establishment and operation of a ″Spitz Restaurant″ franchised business. The purpose of this Certificate is to determine whether any statements or promises were made to you we have not authorized or that may be untrue, inaccurate, or misleading.

If you are intending to purchase an existing Spitz Restaurant from an existing Franchisee, you may have received information from the transferring Franchisee, who are not employees or representatives of the Franchisor. The questions below do not apply to any communications that you had with the transferring Franchisee.

Please review each of the following questions and statements carefully and provide honest and complete responses to each.

Are you seeking to enter into the Franchise Agreement along with a purchase or transfer of an existing Spitz Restaurant from an existing Franchisee?

Yes ___ No ___

I had my first face-to-face meeting with a Franchisor representative on _____ [date].

Acknowledgments and Representations*.

Did you receive a copy of our Franchise Disclosure Document ("FDD") (and all exhibits and attachments) at least 14 calendar days (or at the first personal meeting in Iowa or New York, or least 10 business days if you are in Connecticut, Michigan or New York), before you signed the Franchise Agreement and any Area Development Agreement? **Check one: (__) Yes (__) No**. If no, please tell us if and when you received the FDD and when you signed the Franchise Agreement. Please explain why you signed the Franchise Agreement or Area Development Agreement before the 14 days expired:

_____
_____

Did you receive a copy of the Franchise Agreement or Area Development Agreement at least 7 days before you signed the Agreement? **Check one: (__) Yes (__) No**. If no, tell us when you received the Franchise

*Such representations are not intended to, nor shall they act as a release, estoppel or waiver of any liability incurred under the Illinois Franchise Disclosure Act or under the Maryland Franchise Registration and Disclosure Law, if either or both such laws apply to this transaction.

Agreement and when you signed it. Please explain why you signed the Franchise Agreement or Area Development Agreement when you did:

_____
_____

Was any oral, written or visual claim, statement, presentation or representation made to you on which you relied in making your decision to sign the Franchise Agreement or Area Development Agreement that contradicted the disclosures in the FDD? **Check one: (__) Yes (__) No.** If yes, please explain in detail the oral, written or visual statement, presentation, claim or representation:

_____
_____

Except for any financial performance representation included as Item 19 in our FDD, did any employee or other person speaking on our behalf make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Spitz Restaurant franchise, or the likelihood of success at your Spitz Restaurant on which you relied in making your decision to sign the Franchise Agreement? **Check one: (__)Yes (__) No**. If yes, please explain in detail who made and what you understand is the oral, written or visual claim, statement, promise or representation:

_____
_____

Except for any financial performance representation included as Item 19 in our FDD did any employee or other person speaking on our behalf make any statement or promise regarding the costs involved in operating a franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD on which you relied in making your decision to sign the Franchise Agreement or Area Development Agreement? **Check one: (__) Yes (__) No.** If yes, please identify who made the statement or promise and what you understand are the details of the statement or promise.

_____
_____

Do you understand that the franchise granted in the Franchise Agreement (a) allows you to operate a Spitz Restaurant only at the Franchised Location, (b) prevents us from operating or franchising another Spitz Restaurant only in the Protected Area described in the Franchise Agreement, (c) allows us to operate or franchise a Spitz Restaurant anywhere outside the Protected Area, and (d) allows us to open and operate or authorize any other party to open and operate a Nontraditional Concept Retailer in your Protected Area? **Check one: (__) Yes (__) No**. If no, please comment:

_____
_____

Do you understand that the Franchise Agreement or Area Development Agreement contains the entire agreement between you and us concerning the franchise for the Spitz Restaurant or the development rights we grant to you, meaning that any prior oral or written agreements not set out in the Franchise Agreement, the Area Development Agreement or the FDD will not be binding? **Check one: (__) Yes (__) No**. If no, please comment:

_____
_____

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.

(Signature page follows)

NOTE: IF THE FRANCHISEE IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS GUARANTORS MUST EXECUTE THIS ACKNOWLEDGMENT.

FRANCHISE APPLICANT:

(IF FRANCHISE APPLICANT IS AN INDIVIDUAL):

By: _____

Name: _____
Title: _____
Date: _____

FRANCHISE APPLICANT:

(IF FRANCHISE APPLICANT IS AN CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

_____
[Print Name of Franchise Applicant entity]

By: _____

Name: _____
Title: _____
Date: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT J
GUARANTEE

INDIVIDUAL GUARANTEE OF PROMISSORY NOTE
INITIAL FRANCHISE FEE

In consideration of any financial accommodations previously, now or hereafter made or granted by **RADWICK FRANCHISING, LLC**, a Delaware limited liability company ("Lender") to or for the account of _____ _____, a _____ corporation/limited liability company ("Borrower"), under that certain Promissory Note (the "Note") dated _____, 20__ payable by Borrower to Lender, said Note having been delivered in connection with that certain Franchise Agreement between Borrower as Franchisee and Lender as Franchisor dated _____, 20__ (the "Franchise Agreement"), and in order to induce Lender to accept the Note from Borrower, _____ _____, _____, (collectively, "Guarantors"), hereby grant this guarantee (this "Guarantee"), and fully guarantee: (i) the prompt payment to Lender of all sums which may in any manner whatsoever be presently due and owing and of all sums which shall in the future become in any manner whatsoever due and owing to Lender from Borrower under the Note whether by acceleration or otherwise; and (ii) the due performance by Borrower of all its obligations under the Note.

Guarantors also agree: (a) that the liability of Guarantors is DIRECT, IRREVOCABLE, ABSOLUTE AND UNCONDITIONAL and may be enforced without (i) requiring Lender first to resort to any other right, remedy or security or (ii) regard to the validity, regularity or enforceability of any obligation or purported obligation of Borrower under the Note or otherwise; (b) that this Guarantee shall not be impaired by any modification or extension of the Note or any other agreement between Borrower and Lender, nor by any modification or release of any of the obligations hereby guaranteed or of any security therefor, nor by any agreement or arrangement whatsoever with Borrower or anyone else; (c) that Guarantors shall be liable to Lender for all attorneys' fees and costs incurred by Lender by reason of this Guarantee or in connection with or arising out of or in enforcing any rights granted Lender hereunder or in any respect relating to the Note; (d) that Guarantors shall not have any right of subrogation, reimbursement or indemnity whatsoever, nor any right of recourse to security for the debts and obligations of Borrower to Lender, unless and until all of Borrower's obligations in respect of the Note have been paid in full; (e) that if Borrower or Guarantors shall at any time become insolvent or make a general assignment or if a petition in bankruptcy or any insolvency or reorganization proceedings shall be filed or commenced by or against Borrower or Guarantors, any and all obligations of Guarantors shall, at Lender's option, become immediately due and payable without notice; (f) that this Guarantee is, as to Guarantors, a continuing Guarantee which shall remain effective until all obligations of Borrower to Lender shall be paid in full; (g) that nothing shall discharge or satisfy the liability of Guarantors except the full payment and performance of all Borrower's debts and obligations to Lender in respect of the Note; (h) that any and all present and future debts and obligations of Borrower to Guarantors are hereby waived and postponed in favor of and subordinated to the full payment and performance of all present and future debts and obligations of Borrower to Lender.

Guarantors warrant and represent to and covenants with Lender that: this Guarantee contains Guarantors' entire agreement with respect to Guarantors' guarantee of Borrower's obligations; all prior agreements, commitments, understandings, representations, warranties and negotiations in connection herewith, if any, are hereby merged into this Guarantee; and no oral representations shall in any manner whatsoever modify or explain any of the terms and conditions of this Guarantee. This Guarantee may not be changed or terminated in any manner whatsoever except in writing signed by Guarantors and Lender.

Guarantors' liabilities and all rights, powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and the rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law.

Guarantors covenant with Lender that Guarantors have the full legal right, power and authority to execute this Guarantee; and that none of Guarantors' obligations hereunder will result in any breach of any provision of any agreement or instrument to which Guarantors are a party or by which Guarantors are bound.

GUARANTORS WAIVE: (a) notice of acceptance hereof; (b) THE RIGHT TO A JURY TRIAL IN ANY ACTION HEREUNDER; (c) presentment, demand and protest of any instrument and notice thereof; (d) notice of default; (e) all other notices or formalities to which Guarantors is or might be entitled whether by law or otherwise; and (f) all rights of set-off.

Guarantors' obligations under this Guarantee shall include all amounts paid by or on behalf of Borrower which may be recovered by any person or entity as a preference, fraudulent transfer or conveyance or similar transfer and all of Lender's costs and expenses of the defense of any action for such recovery.

This Guarantee, all acts and transactions hereunder and the rights and obligations of the parties hereto, shall be governed, construed and interpreted according to the laws of the State of Delaware. Guarantors hereby agree that venue for purposes of any actions brought in connection with or arising directly or indirectly out of this Guarantee shall be in Lender's sole discretion and election, and conclusively presumed to be in the state courts of Utah in Salt Lake City and the United States District Court for the District of Utah. Guarantors hereby subject themselves and consent to the personal jurisdiction of and venue in such Courts, as the exclusive personal jurisdiction in any action or proceeding brought by Guarantors or Payee arising out of this Guarantee, and any documents or agreements executed in connection therewith.

This Guarantee shall be binding upon the successors and assigns of Guarantors and shall inure to the benefit of Lender's successors and assigns. This Guarantee shall apply in favor of and be jointly and severally enforceable by Lender and each of its affiliates, successors and assigns.

Executed by or on behalf of Guarantors on the date set forth below.

GUARANTORS:

_____ Date: _____

_____ Date: _____

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT K
FINANCIAL STATEMENTS

RADWICK FRANCHISING, LLC

FINANCIAL REPORT

DECEMBER 31, 2025 AND 2024

RADWICK FRANCHISING, LLC
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SingerLewak
Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Members of
Radwick Franchising, LLC

Opinion

We have audited the financial statements of Radwick Franchising, LLC (the "Company"), which comprise the balance sheets as of December 31, 2025 and 2024, the related statements of income, members' deficit, and cash flows for the years then ended, and the related notes to the financial statements (collectively, the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Singer Lewak LLP

April 15, 2026

RADWICK FRANCHISING, LLC
BALANCE SHEETS
December 31, 2025 and 2024

ASSETS

	2025	2024
Current assets		
Cash	$ 383,447	$ 286,718
Royalties receivable, net	72,666	57,980
Total assets	**$ 456,113**	**$ 344,698**

LIABILITIES AND MEMBERS' DEFICIT

Current liabilities		
Accounts payable and accrued expenses	$ 136,021	$ 440,512
Due to related party	-	4,461
Gift cards outstanding	49,153	7,247
Distributions payable	30,210	230,979
Deferred revenue, current portion	91,658	82,396
Total current liabilities	307,042	765,595
Deferred revenue, noncurrent portion	559,213	551,127
Total liabilities	866,255	1,316,722
Members' deficit	(410,142)	(972,024)
Total liabilities and members' deficit	**$ 456,113**	**$ 344,698**

See notes to financial statements.

RADWICK FRANCHISING, LLC
STATEMENTS OF INCOME
Years Ended December 31, 2025 and 2024

	2025	2024
Revenue		
Royalty revenue	$ 2,146,703	$ 1,495,649
Marketing revenue	336,250	167,318
Franchise fee revenue	87,652	72,337
Services revenue	79,281	184,888
Rebate revenue	82,571	54,532
Total revenue	2,732,457	1,974,724
General and administrative expenses	2,311,276	1,807,657
Income from operations	421,181	167,067
Provision for income taxes	-	4,554
Net income	**$ 421,181**	**$ 162,513**

See notes to financial statements.

RADWICK FRANCHISING, LLC

STATEMENTS OF MEMBERS' DEFICIT

Years Ended December 31, 2025 and 2024

	Class A Members	Class B Members	Total
Members' deficit, December 31, 2023	$ (783,138)	$ (52,269)	$ (835,407)
Distributions	(260,243)	(38,887)	(299,130)
Net income	141,386	21,127	162,513
Members' deficit, December 31, 2024	(901,995)	(70,029)	(972,024)
Distributions	(313,585)	(46,858)	(360,443)
Forgiveness of management fees	264,730	39,557	304,287
Forgiveness of distributions payable	171,266	25,591	196,857
Net income	366,427	54,754	421,181
Members' equity (deficit), December 31, 2025	**$ (413,158)**	**$ 3,016**	**$ (410,142)**

See notes to financial statements.

RADWICK FRANCHISING, LLC
STATEMENTS OF CASH FLOW
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Net income	$ 421,181	$ 162,513
Adjustments to reconcile net income to net cash provided by operating activities:		
Reserve for credit losses	95,454	-
Changes in operating assets and liabilities:		
Royalties receivable	(110,140)	(28,192)
Accounts payable and accrued expenses	(204)	126,409
Due to related party	(4,461)	-
Gift cards outstanding	41,906	7,247
Deferred revenue	17,348	186,372
Net cash provided by operating activities	461,084	454,349
Cash flows from financing activities		
Distributions paid to members	(364,355)	(415,332)
Net increase in cash	96,729	39,017
Cash		
Beginning	286,718	247,701
Ending	**$ 383,447**	**$ 286,718**
Supplemental disclosures of cash flow information		
Income taxes paid	**$ -**	**$ 4,554**
Supplemental schedule of noncash investing and financing activities		
Forgiveness of management fees	**$ 304,287**	**$ -**
Forgiveness of distributions payable	**$ 196,857**	**$ -**

See notes to financial statements.

NOTE 1 – BUSINESS ACTIVITIES

Radwick Franchising, LLC (the "Company"), a limited liability company, was formed on September 20, 2013, in the state of California, and converted to a Delaware limited liability company on December 29, 2017. The Company's principal purpose is franchising an existing casual dining restaurant chain known as "Spitz." Each member of the Company has limited liability equal to the amount of capital invested and retained in the Company.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates
The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Reclassifications
Certain reclassifications have been made to the prior year's balances in order to confirm to the current year's presentation. Such reclassifications or title changes had no effect on net income or Members' deficit previously reported.

Royalties Receivable
Royalties receivable are carried at original invoice value, less an estimate made for credit losses resulting from the inability of its franchisees to make required payments based on a review of all outstanding amounts on a monthly basis. Management considers the age of royalties receivable balances and general economic issues when determining the collectability of specific accounts. Uncollectible accounts are written off when a customer files bankruptcy, or after all attempts at collections have been pursued. Recoveries of trade receivables previously written off are recorded when received. The Company generally does not have collateral for its receivables. Although the Company expects to fully collect amounts due, actual collections may differ from estimated amounts. At December 31, 2025 and 2024, the Company maintained a reserve for credit losses of $95,454 and $0, respectively.

Deferred Revenue
Deferred revenue represents unearned revenue generated from the sale of new franchises and the approval of new franchise locations. Franchise fee and development fee revenues are recognized when performance obligations are satisfied. Management determined that performance obligations related to franchise fees are satisfied over time and revenue is recognized over the term of the franchise agreement.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Revenues are recorded when: (i) a contract with a client has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Company has satisfied the applicable performance obligation.

The Company's revenue consists of fees from franchised restaurants operated by conventional franchisees. Revenue from conventional franchised restaurants include initial franchise fees, royalties based on percent of sales, marketing fees based on percent of sales, and development fees for locations the franchisee opens in addition to the initial location.

The initial franchise fees collected are determined on a franchisee-by-franchisee basis. The Company had twenty-eight Franchisees open and operating as of December 31, 2025 and twenty franchisees open and operating as of December 31, 2024.

Royalties are collected on a weekly basis and are based on the greater of 5.5% of the franchisees' gross sales or $125.

Marketing fees are based on up to 2% of gross revenue, are payable to the Company and held in a marketing fund. The marketing fund is used for marketing expenses related to maximizing public recognition of the Spitz brand and marketing fund.

Service revenues include training, consultation, and other fees charged to franchisees on an as-needed basis. Service revenues are recognized when earned.

Vendor rebates are earned based on various marketing and advertising programs related to purchases by franchisees. Vendor rebates are recognized when earned.

Contract assets and liabilities as of January 1, 2024 were as follows:

Contract Assets		
Royalties receivable	$	29,788
Contract Liabilities		
Deferred revenue	$	59,167

Advertising

The Company expenses advertising costs as incurred. Advertising expenses were approximately $373,000 and $336,000 for the years ended December 31, 2025 and 2024, respectively.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Company has elected to be taxed as a partnership for Federal income tax purposes. Therefore, Federal income taxes are not payable by the Company. The Company's net income is allocated to the members in accordance with the regulations of the Company, and members are subject to Federal income taxes individually. A fee is paid to the state of Delaware based on gross receipts and a minimum tax of $300.

GAAP requires management to evaluate tax positions taken by the company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company, and has concluded that as of December 31, 2025 and 2024, there were no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company is subject to routine audits by taxing and other jurisdictions. However, there are currently no audits in progress for any prior tax periods.

The Company files income tax returns in the U.S. federal jurisdiction and certain states. With few exceptions, the Company is no longer subject to U.S. federal, state and local income tax examinations for year before 2022.

NOTE 3 – CONCENTRATIONS

Concentration of Credit Risk

Cash

The Company maintains cash balances in certain financial institutions which, at times, may exceed federally insured limits. The Company is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. Management monitors the financial condition of such financial institutions and does not anticipate any loss from these obligations.

Franchisee

For the year ended December 31, 2025 and 2024, there were no franchisees that represented greater than 10% of total revenues. As of December 31, 2025 and 2024, one and three franchisees represented approximately 33% and 49% of royalties receivable, respectively.

NOTE 4 – MEMBERS' DEFICIT

Distribution of Available Cash

Ownership percentage of each person or entity admitted as a Class-A member is equal to the total capital contributions made by the Class-A member over the total capital contributions made by all Class- A members to the Company. The managing members may make changes in membership percentages, aggregate capital contributions, and admission of additional or substitute members, without the consent of any other person or entity.

Distributions to the holders of Class-B membership interests are subordinate to Class-A distributions and are proportionate to each such member's respective holdings of Class-B membership interest, until such time as Class-B members' respective capital account balances have been reduced to zero.

During the year ended December 31, 2025, the members agreed to forgive distributions payable of $196,857 as a direct reduction of membership interest.

Profits Interest Unit Agreement and Right of Repurchase

The Company awards Incentive Units to certain members pursuant to the Company's 2017 Incentive Unit Award Agreement (the "Agreement"). The units are vested at the effective date of the Agreement and the Company has a right of repurchase should a qualifying service termination occur. The Right of Repurchase lapses on 15% of the awarded units on the first- and second-year anniversary the units were awarded, at the third-year anniversary the Right of Repurchase lapses on 20% of the awarded units, and the remaining 25% of the awarded Right of Repurchase lapses on the fourth and fifth-year anniversary of the awarded units. On July 15, 2017, the Company awarded 50,000 Class-B Incentive Units to a certain member at a price of $1.00 per unit.

On September 1, 2018, the Company awarded 5% of the Company's aggregate membership interests amounting to 52,631 Class-B Incentive Units to a member at a price of $0.95 per unit. The Company also awarded 25,000 Class-B Incentive Units to a member on January 1, 2021 at a price of $0.95 per unit.

The Class-B Units are intended to be profits interests for tax purposes, as described in the Agreement. Accordingly, the grant of the Class-B Units is not intended to result in taxable income. The Company's total Class-B Incentive Units outstanding was 127,631 for the years ended December 31, 2025 and 2024. There were no Class-B Incentive Units available for repurchase for the years ended December 31, 2025 and 2024, respectively.

NOTE 5 – RELATED PARTY TRANSACTIONS

Due to Related Party

As of December 31, 2024, the Company had amounts payable due to Radwick Enterprises LLC, a related party under common control incorporated in the state of California. These payables were non-interest bearing, unsecured and had no specific terms of repayment. During the year ended December 31, 2025, the balance was repaid in full.

Radwick Enterprises, LLC owned four and five restaurants operated under the concept as of December 31, 2025 and 2024, respectively.

Management Fees

Management fees are paid monthly to four members of the Company and are distributed based on 30% of gross income from franchise operations. Management fees for these members totaled $493,102 and $448,695 for the years ended December 31, 2025 and 2024, respectively.

During the year ended December 31, 2025, the members agreed to forgive accrued management fees of $304,287, as a direct reduction of membership interest. The Company had unpaid management fees of $40,182 and $344,469 as of December 31, 2025 and 2024, respectively.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company from time to time may be a defendant in legal actions generally incidental to its business. Although it is difficult to predict the ultimate outcome of any potential or threatened litigation, management believes that any ultimate liability will not materially affect the financial position and results of operations of the Company.

NOTE 7 – SUBSEQUENT EVENTS

Management evaluated all activity through April 15, 2026, the date the financial statements were available to be issued.

On February 6, 2026, pursuant to the Company's 2017 Incentive Unit Award Agreement, as amended, the Company issued 137,489 Class-B Units to three new members, and an additional 31,300 Class-B Units to existing members.

RADWICK FRANCHISING, LLC

FINANCIAL REPORT

DECEMBER 31, 2024 AND 2023

RADWICK FRANCHISING, LLC
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SingerLewak
Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Members of
Radwick Franchising, LLC

Opinion

We have audited the financial statements of Radwick Franchising, LLC (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, the related statements of income, members' deficit, and cash flows for the years then ended, and the related notes to the financial statements (collectively, the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Singer Lewak LLP

April 15, 2025

RADWICK FRANCHISING, LLC
BALANCE SHEETS
December 31, 2024 and 2023

ASSETS

	2024	2023
Current assets		
Cash and cash equivalents	$ 286,718	$ 247,701
Royalties receivable	57,980	29,788
Total assets	**$ 344,698**	**$ 277,489**

LIABILITIES AND MEMBERS' DEFICIT

Current liabilities		
Accounts payable and accrued expenses	$ 440,512	$ 314,103
Due to related party	4,461	4,461
Gift cards outstanding	7,247	-
Distributions payable	230,979	347,181
Deferred revenue, current portion	82,396	59,167
Total current liabilities	765,595	724,912
Deferred revenue, noncurrent portion	551,127	387,984
Total liabilities	1,316,722	1,112,896
Members' deficit	(972,024)	(835,407)
Total liabilities and members' deficit	**$ 344,698**	**$ 277,489**

See notes to financial statements.

RADWICK FRANCHISING, LLC

STATEMENTS OF INCOME

Year's Ended December 31, 2024 and 2023

	2024	2023
Revenue		
Royalty revenue	$ 1,495,649	$ 1,103,208
Marketing revenue	221,850	124,100
Franchise fee revenue	72,337	52,047
Services revenue	184,888	171,464
Total revenue	1,974,724	1,450,819
General and administrative expenses	1,807,657	1,437,391
Income from operations	167,067	13,428
Provision for income taxes	4,554	12,608
Net income	**$ 162,513**	**$ 820**

See notes to financial statements.

RADWICK FRANCHISING, LLC

STATEMENTS OF MEMBERS' DEFICIT

Years Ended December 31, 2024 and 2023

	Class A Members	Class B Members	Total
Members' deficit, December 31, 2022	$ (507,955)	$ (11,150)	$ (519,105)
Distributions	(275,896)	(41,226)	(317,122)
Net income	713	107	820
Members' deficit, December 31, 2023	(783,138)	(52,269)	(835,407)
Distributions	(260,243)	(38,887)	(299,130)
Net income	141,386	21,127	162,513
Members' deficit, December 31, 2024	**$ (901,995)**	**$ (70,029)**	**$ (972,024)**

See notes to financial statements.

RADWICK FRANCHISING, LLC
STATEMENTS OF CASH FLOW
Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Net income	$ 162,513	$ 820
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Royalties receivable	(28,192)	(16,945)
Accounts payable and accrued expenses	126,409	138,909
Gift cards outstanding	7,247	-
Deferred revenue	186,372	78,857
Net cash provided by operating activities	454,349	201,642
Cash flows from financing activities		
Distributions paid to members	(415,332)	(132,057)
Net increase in cash and cash equivalents	39,017	69,585
Cash and cash equivalents, beginning of year	247,701	178,116
Cash and cash equivalents, end of year	**$ 286,718**	**$ 247,701**
Supplemental disclosures of cash flow information		
Income taxes paid	**$ 4,554**	**$ 12,608**

See notes to financial statements.

NOTE 1 – BUSINESS ACTIVITIES

Radwick Franchising, LLC (the "Company"), a limited liability company, was formed on October 1, 2013, in the state of California. The Company's principal purpose is franchising an existing casual dining restaurant chain known as "Spitz." Each member of the Company has limited liability equal to the amount of capital invested and retained in the Company.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

Royalties Receivable

Royalties receivable are carried at original invoice value, less an estimate made for credit losses resulting from the inability of its franchisees to make required payments based on a review of all outstanding amounts on a monthly basis. Management considers the age of royalties receivable balances and general economic issues when determining the collectability of specific accounts. Uncollectible accounts are written off when a customer files bankruptcy, or after all attempts at collections have been pursued. Recoveries of trade receivables previously written off are recorded when received. The Company generally does not have collateral for its receivables. Although the Company expects to fully collect amounts due, actual collections may differ from estimated amounts. At December 31, 2024 and 2023, there was no reserve for credit losses.

Fair Value of Financial Instruments

The Company's financial instruments, including cash and cash equivalents, accounts payable, and due to related party, are carried at cost, which approximates their fair value because of the short-term nature of these financial instruments.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Deferred revenue represents unearned revenue generated from the sale of new franchises and the approval of new franchise locations. Franchise fee and development fee revenues are recognized when performance obligations are satisfied. Management determined that performance obligations related to franchise fees are satisfied over time and revenue is recognized over the term of the franchise agreement.

Revenue Recognition

Revenues are recorded when: (i) a contract with a client has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Company has satisfied the applicable performance obligation.

The Company's revenue consists of fees from franchised restaurants operated by conventional franchisees. Revenue from conventional franchised restaurants include initial franchise fees, royalties based on percent of sales, marketing fees based on percent of sales, and development fees for locations the franchisee opens in addition to the initial location.

The initial franchise fees collected are determined on a franchisee-by-franchisee basis. The Company had twenty Franchisees open and operating as of December 31, 2024 and fourteen franchisees open and operating as of December 31, 2023.

Royalties are collected on a weekly basis and are based on the greater of 5.5% of the franchisees' gross sales or $125.

Marketing fees are based on up to 2% of gross revenue, are payable to the Company and held in a marketing fund. The marketing fund is used for marketing expenses related to maximizing public recognition of the Spitz brand and marketing fund.

Advertising

The Company expenses advertising costs as incurred. Advertising expenses were approximately $336,000 and $256,000 for the years ended December 31, 2024 and 2023, respectively.

Income Taxes

The Company has elected to be taxed as a partnership for Federal income tax purposes. Therefore, Federal income taxes are not payable by the Company. The Company's net income is allocated to the members in accordance with the regulations of the Company, and members are subject to Federal income taxes individually. A fee is paid to the state of California based on gross receipts and a minimum tax of $800.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)
GAAP requires management to evaluate tax positions taken by the company and recognize a tax liability (or asset) if the Company has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Company, and has concluded that as of December 31, 2024 and 2023, there were no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Company is subject to routine audits by taxing and other jurisdictions. However, there are currently no audits in progress for any prior tax periods.

The Company files income tax returns in the U.S. federal jurisdiction and certain states. With few exceptions, the Company is no longer subject to U.S. federal, state and local income tax examinations for year before 2021.

Reclassifications
Certain prior-year amounts have been reclassified to conform to the current year's presentation. These reclassifications have no effect on the previously reported net income or Members' deficit.

NOTE 3 – CONCENTRATIONS

Concentration of Credit Risk
Cash
The Company maintains cash balances in certain financial institutions which, at times, may exceed federally insured limits. The Company is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf. Management monitors the financial condition of such financial institutions and does not anticipate any loss from these obligations.

Franchisee
For the year ended December 31, 2024, there were no franchisees that represented greater than 10% of total revenues. As of December 31, 2024, three franchisees represented approximately 49% of royalties receivable.

For the year ended December 31, 2023, three franchisees represented approximately 32% of total revenues. As of December 31, 2023, three franchisees represented approximately 35% of royalties receivable.

NOTE 4 – MEMBERS' DEFICIT

Distribution of Available Cash

Ownership percentage of each person or entity admitted as a Class-A member is equal to the total capital contributions made by the Class-A member over the total capital contributions made by all Class- A members to the Company. The managing members may make changes in membership percentages, aggregate capital contributions, and admission of additional or substitute members, without the consent of any other person or entity.

Distributions to the holders of Class-B membership interests are subordinate to Class-A distributions and are proportionate to each such member's respective holdings of Class-B membership interest, until such time as Class-B members' respective capital account balances have been reduced to zero.

Profits Interest Unit Agreement and Right of Repurchase

The Company awards Incentive Units to certain members pursuant to the Company's 2017 Incentive Unit Award Agreement (the "Agreement"). The units are vested at the effective date of the Agreement and the Company has a right of repurchase should a qualifying service termination occur. The Right of Repurchase lapses on 15% of the awarded units on the first- and second-year anniversary the units were awarded, at the third-year anniversary the Right of Repurchase lapses on 20% of the awarded units, and the remaining 25% of the awarded Right of Repurchase lapses on the fourth and fifth-year anniversary of the awarded units. On July 15, 2017, the Company awarded 50,000 Class-B Incentive Units to a certain member at a price of $1.00 per unit.

On September 1, 2018, the Company awarded 5% of the Company's aggregate membership interests amounting to 52,631 Class-B Incentive Units to a member at a price of $0.95 per unit. The Company also awarded 25,000 Class-B Incentive Units to a member on January 1, 2021 at a price of $0.95 per unit.

The Class-B Units are intended to be profits interests for tax purposes, as described in the Agreement. Accordingly, the grant of the Class-B Units is not intended to result in taxable income. The Company's total Class-B Incentive Units outstanding was 127,631 for the years ended December 31, 2024 and 2023. Total Class-B Incentive Units available for repurchase was $0 and $8,500 for the years ended December 31, 2024 and 2023, respectively.

NOTE 5 – RELATED PARTY TRANSACTIONS

The Company has a payable due to Radwick Enterprises LLC, a related party under common control. These payables are non-interest bearing, unsecured and have no specific terms of repayment.

Radwick Enterprises, LLC owned five and four restaurants operated under the concept as of December 31, 2024 and 2023, respectively.

Management fees are paid monthly to four members of the Company and are distributed based on 30% of gross income from franchise operations. Management fees for these members totaled $448,695 and $416,325 for the years ended December 31, 2024 and 2023, respectively. The Company had unpaid management fees of $346,469 and $248,009 as of December 31, 2024 and 2023, respectively.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company from time to time may be a defendant in legal actions generally incidental to its business. Although it is difficult to predict the ultimate outcome of any potential or threatened litigation, management believes that any ultimate liability will not materially affect the financial position and results of operations of the Company.

NOTE 7 – SUBSEQUENT EVENTS

Management evaluated all activity through April 15, 2025, the date the financial statements were available to be issued.

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT L
STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND STATE AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 (866) 275-2677	Commissioner of Department of Financial Protection and Innovation 651 Bannon Street, Suite 300 Sacramento, California 95811 (213) 576-7505 (866) 275-2677
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities, Department of Commerce & Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 West Ottawa G. Mennen Williams Building, 1st Floor Lansing, Michigan 48933 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau P.O. Box 30054 6546 Mercantile Way Lansing, Michigan 48909 (517) 241-6345
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600	Minnesota Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
NEW YORK	NYS Department of Law Investor Protection Bureau Franchise Section 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222	New York Secretary of State One Commerce Plaza 99 Washington Avenue Albany, New York 12231 (518) 473-2492
NORTH DAKOTA	Office of the Securities Commissioner 600 East Boulevard Avenue Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-2910	Office of the Securities Commissioner 600 East Boulevard Avenue Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-2910

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387
RHODE ISLAND	Director, Securities Division State of Rhode Island Department of Business Regulation, Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462-9582	Securities Division Department of Business Regulation Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462-9582
SOUTH DAKOTA	Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Director, Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3560
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, First Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9051
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902-8760
WISCONSIN	Franchise Registration Division of Securities Wisconsin Department of Financial Institutions 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064	Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT M
LIST OF FRANCHISEES

LIST OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2025

ARIZONA: Gupshup LLC Jaskarn Singh 3755 E Azalea Dr Gilbert, Arizona 85298 602-377-0121 Kyle Tarter 681 E. Apache Blvd., #107 Tempe, Arizona 85281 (480) 590-0197	MINNESOTA: Chris Law Spitz Minneapolis 518 E. Hennepin Avenue Minneapolis, Minnesota 55414 (651) 206-7997 Chris Law 1930 Donegal Drive, Suite 200 Woodbury, Minnesota 55125 (651) 330-7732
CALIFORNIA: Rebecca Skolmutch Tomato Squirts Incorporated 626 Nenno Ave Placentia, California 92870 (714) 319-8660 Angel Manuel Tiznado Tiznado's Enterprises 3737 Cahuenga Blvd Studio Studio City, CA 91604 (323) 674-5320 Chris Law, Aidan Brennan-Law, Shealin Brennan-Law and Chris Burnthon Spitz – Pacific Beach 967 Garnet Ave San Digo, CA 92109 (651) 666-7434	MONTANA: Jenna O'Brien Spitz - Billings 313 N. Broadway Billings, Montana 59101 (406) 200-7926 Jenna O'Brien Spitz – Shiloh Crossing 313 N. Broadway Billings, Montana 59101 (406) 200-7926 Victor Marabella Jr Entertainment 720 Inc 3018 Annie St. Bozeman MT 59718 (406) 570-5862
COLORADO: Regina Bryant 1230 S. Hoover Street, Suite B-100 Longmont, Colorado 80501 (303) 834-8136 Nathan Heim* Steady Bones Ventures 11470 S Canton Court Sandy, Utah 84092 (801) 946-4398 Restaurant location: 8181 E Arapahoe Rd Suite E Greenwood Village, Colorado 80112 303-379-9020	TEXAS: Samarth Patel Shiya Family Group Inc Spitz - Frisco 10400 Calvary Court Frisco, Texas 75035 (469) 408-0830 Shiya Family Group Inc Spitz - Prosper 10400 Calvary Court Frisco, Texas 75035 (469) 408-0830 Debra Holt Greek Me Out, LLC 2524 Quail Point Midland, Texas 79705

	(432) 661-2972 Puneet Jain Brij Foods 618 Embercrest Dr Murphy, Texas 75094 (972) 948-6995
UTAH: Spitz Draper 12300 S. 62E Draper, Utah, 84020 (801) 432-8204 Mark Chamberlain Busy Bee Enterprises, LLC 3158 E 6200 S, Suite D Holladay, Utah 84121 (801) 505-8774 Mark Chamberlain 3601 N Digital Dr #210 Lehi, Utah 84043 (385) 455-4101 Brett Chamberlain 5414 N Meadowlark Lane Lehi, Utah 84043 Josh Hill* Spitz Sugarhouse 1201 Wilmington Avenue #101 Salt Lake City, Utah 84106 (435) 640-5306 Josh Hill* 35 East Broadway Salt Lake City, Utah 84111 (801) 364-0286 Josh Hill* Tanner Slizeski Spitz West Jordan 3763 W Center Park Dr. #130 West Jordan, Utah 84084 (801) 364-0286 KZJH, LLC Josh Hill and Kyle Zoellner 2549 Sinagua Trail #48 St George, UT 84770 (801) 364-0286	VIRGINIA: Meet Patel 18516 Sierra Springs Sq Leesburg, Virginia 20176 (757) 419-6724 OREGON: MarBro Hawkins Hillsboro LLC Justin Marcellay 5305 NE 43rd Circle Vancouver, WA 98661 (360) 356-6119 ALABAMA: Lauren Ricci P.S Ventures, LLC 1 Brennan Hill Lane Gurley, AL 35748 (801) 842-9722

*Area Developer	

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

LIST OF OUTLETS TRANSFERRED FROM FRANCHISEES TO NEW OWNERS AS OF DECEMBER 31, 2025

None.

LIST OF OUTLETS THAT WERE TERMINATED, CANCELED, NOT RENEWED OR CEASED OPERATIONS FOR OTHER REASONS AS OF DECEMBER 31, 2025

None.

LIST OF FRANCHISEES WHO HAVE SIGNED FRANCHISE AGREEMENTS BUT ARE NOT OPEN DECEMBER 31, 2025

CALIFORNIA:	MINNESOTA:
SZR Inc. Sandeep Gill 4026 Davenport CT Roseville, CA 95474 Spitz Eagle Rock Angel Manuel Tiznado Tiznado's Enterprises 3737 Cahuenga Blvd Studio Studio City, CA 91604 (323) 674-5320 Spitz Little Tokyo Pura Vida Enterprises, LLC Jasmine Bermudez 1725 Hillhurst Ave Los Angeles, CA 90027 Spitz Los Feliz Pura Vida Enterprises, LLC Jasmine Bermudez 1725 Hillhurst Ave Los Angeles, CA 90027 Onur Ozkayank 508 Castro St San Francisco, California 96116 415-299-7866	Conor Hannon 4134 Colorado Ave S St Louis Park, Minnesota 55416 952-913-3986
MARYLAND:	CONNECTICUT:

Chiragkumar Patel 5990 Florey Road Hanover, Maryland 21076 843-422-5288	Nicolas and Paige Chamberlain 266 Newtown Tpke Weston, CT 06883 860-209-8136
UTAH: Spitz Orem Mark Chamberlain 3601 N Digital Dr #210 Lehi, Utah 84043 (385) 455-4101 Brett Chamberlain 5414 N Meadowlark Lane Lehi, Utah 84043	ARIZONA: Spitz Buckeye Gupshup LLC Jaskarn Singh 3755 E Azalea Dr Gilbert, Arizona 85298 602-377-0121
COLORADO: Spitz RiNO Regina Bryant 1230 S. Hoover Street, Suite B-100 Longmont, Colorado 80501 (303) 834-8136	VIRGINIA: Sreenath Gurrapu 23601 Roselle Ridge LN Aldie, Virginia 20105 903-408-0010
GEORGIA: Joseph Picone Picone Holdings, LLC 841 Barn Owl Rd Marietta, Georgia 30068 (804) 263-559	

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT N
STATE SPECIFIC ADDENDA

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

STATE ADDENDA

Each provision of this Addendum shall be effective only if, with respect to each provision, the jurisdictional requirements of a state are met independently, without reference to this Addendum.

ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO CALIFORNIA FRANCHISE INVESTMENT LAW

1. The Franchisor's website address is www.spitz-restaurant.com.

2. This Addendum applies to your Franchise Agreement if and only if (i) your Franchised Location is in the State of California, or (ii) you are domiciled in the State of California.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO THE EXECUTION OF ANY AGREEMENT.

3. The California Business and Professions Code Sections 20000 through 20044 ("CFRA") provide rights to franchisees concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement or the Area Development Agreement contains a provision that is inconsistent with the CFRA, the CFRA will control.

4. The Franchise Agreement and the Area Development 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.).

5. The Franchise Agreement and the Area Development Agreement each contains a covenant not to compete which extends beyond the termination of the Franchise or Area Development Term and indemnification for the indemnitees' own negligence and strict liability. These provisions may not be enforceable under California law.

6. Neither we nor any person identified 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 such association or exchange.

7. 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 the Franchise Agreement restricting venue to a forum outside the State of California.

8. The Franchise Agreement and the Area Development Agreement require the application of the laws of Delaware. This provision may not be enforceable under California law.

9. Under Section 20022 of the CFRA, we are obligated to purchase from you, upon a lawful termination or nonrenewal of the Franchise Agreement, at the value of price paid, minus depreciation, all inventory, supplies, equipment, fixtures, and furnishings purchased or paid for under the terms of the Franchise Agreement or any ancillary or collateral agreement by the franchisee from us or our approved suppliers and sources, that are, at the time of the notice of termination or nonrenewal, in in your possession or use in the franchise. Certain conditions must be met for this obligation to arise specified in the CFRA. We have the right to receive clear title to and possession of all items purchased from you as a condition of performing this obligation.

10. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

11. Section 31126 of the California Corporations Code requires us to approve or disapprove your franchise application in writing within 60 days of receipt of it. If the application is disapproved, we must include the reasons for disapproval.

12. You must sign a general release if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). CFRA 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20044). We are prohibited from modifying the Franchise Agreement or requiring a general release in exchange for any assistance related a declared state or federal emergency under Section 20044 of the CFRA.

13. 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.

14. The financial performance figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in the Disclosure Document may be one source of this information.

15. The highest interest rate allowed by law in California is 10% annually.

16. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

OUR WEBSITE, WWW.SPITZ-RESTAURANT.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 DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

17. The terms of Items 5, 6, 7, and 17 of this Disclosure Document, and certain terms of the Franchise Agreement, have been negotiated with other franchisees. A copy of all Negotiated Sales Notices filed in California in the last twelve months are attached as Exhibit 1.

18. Any provisions of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(i) Representations made by franchisor or its personnel or agents to a prospective franchisee.

(ii) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

(iii) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.

(iv) Violations of any provision of this division.

19. The following is added to Item 5 of this Disclosure Document:

Based upon the franchisor's financial condition, the California Department of Financial Protection and Innovation has required a financial assurance. We have posted a surety bond to secure our obligations to provide and complete pre-opening services, support, and purchases from us. The surety bond will remain in place until released by the California Department of Financial Protection and Innovation.

EXHIBIT 1
NEGOTIATED SALES

Appendix Required Pursuant to

California Code of Regulations Title 10, Section 310.100.2 – Negotiated Sales

The terms of Item 5 of this Offering Circular have been negotiated with other franchisees. A copy of all Negotiated Sales Notices filed in California in the last twelve months are attached hereunder.

Franchisor certifies or declares that all notices have been filed with the Commissioner as required by Section 310.122.

By: DocuSigned by: Bryce Rademan 99E4AA481D5B4A8...

Name: Bryce Rademan

Title: President

STATE OF CALIFORNIA – DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

FRANCHISE INVESTMENT LAW NOTICE OF NEGOTIATED SALE OF FRANCHISE UNDER SECTION 310.100.2, TITLE 10, CALIFORNIA CODE OF REGULATIONS

DFPI-310.100.2 (Rev. 11-20)

Department of Financial Protection and Innovation
File No. Org-160366 APP00001903
(Insert file-number of currently effective franchise registration)

STATE OF CALIFORNIA
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

1. (a) Name of FILER: Radwick Franchising, LLC
   (b) The above-named filer is filing as a (check one):
   ☑ FRANCHISOR ☐ SUBFRANCHISOR
   (c) If FILER is a SUBFRANCHISOR, the name of FRANCHISOR:

2. (a) Name of FRANCHISE: Pura Vida Enterprises, LLC
   (b) Contact Person: Jasmine Bermudez
   (c) Address: 2518 West Avenue 20
   Los Angeles, CA 90027
   (d) Telephone: (213) 613-0101

3. A. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change: See attached.

   B. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change:

   C. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change: See attached.

(If additional space is needed, attach separate sheet (s) with respect to each additional item being changed using the above format)

4. Date of Sale of Negotiated Franchise: 9/23/2025

5. Name, title, business address and telephone number of individual to be contacted by the Department regarding this notice:
   Name: Bryce Rademan

   Title: President

   Business Address: 12300 South 62 East
   Draper, Utah 84020

   Telephone: (323) 257-5600

6. Date of this notice : 9/26/2025 | 12:48 PM PDT

DocuSigned by:
Bryce Rademan
99E4AA481D5B4A8...

Authorized Signature

Bryce Rademan

Printed Name of Signatory

ATTACHMENT TO NOTICE OF NEGOTIATED SALE OF FRANCHISE

3. A. Offering Circular Item 5

Current:

- Initial Franchise Fee - $35,000

Change

- Initial Franchise Fee - $1.00

3 B. Offering Circular Item 6

Current:

- Weekly Royalty - $125 per week or 5.5% of Gross Revenue
- Indemnification for third party claims associated with Franchised Restaurant

Change:

- Graduated Royalty – No Royalty for months 1-3; 3% of Gross Revenue in months 3-9; then greater of 5.5% of Gross Revenue or $125 per week for balance of term
- Indemnification expanded to include payments made by Franchisor or any Affiliate in respect of any guaranty in favor of the landlord of the Franchised Location.

3. C. Item 7: Purchase Program Estimated Initial Investment

Current:

- POS System and Software - $5,000 to $6,050
- Purchase Price for Assets of Operating Restaurant - $200,000 to $700,000
- Pre-Paid Rent & Security Deposits - $14,000 to $56,000

Change:

- Opening Inventory - $5,000 to $15,000
- Purchase Price for Assets of Operating Restaurant- $1.00
- Pre-Paid Rent & Security Deposits substituted with Beverage License Costs - $5,000 to $10,000

3.D. Item 17 Franchise Agreement

Current: Franchise Agreement may be assigned to the transferee

Change: Negotiated terms specific to Franchisee are non-transferable and non-delegable.

STATE OF CALIFORNIA – DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

FRANCHISE INVESTMENT LAW NOTICE OF NEGOTIATED SALE OF FRANCHISE UNDER SECTION 310.100.2, TITLE 10, CALIFORNIA CODE OF REGULATIONS

DFPI-310.100.2 (Rev. 11-20)

Department of Financial Protection and Innovation
File No. Org-160366 APP00001903
(Insert file-number of currently effective franchise registration)

STATE OF CALIFORNIA
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

1. (a) Name of FILER: Radwick Franchising, LLC
   (b) The above-named filer is filing as a (check one):
   ☑ FRANCHISOR ☐ SUBFRANCHISOR
   (c) If FILER is a SUBFRANCHISOR, the name of FRANCHISOR:

2. (a) Name of FRANCHISE: Tiznado's Enterprises, Inc.
   (b) Contact Person: Juan J. Tiznado, Director
   (c) Address: 2506 Colorado Blvd.
   Los Angeles, CA 90041
   (d) Telephone: (323) 674-5320

3. A. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change: See attached.

   B. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change:

   C. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change: See attached.

(If additional space is needed, attach separate sheet (s) with respect to each additional item being changed using the above format)

4. Date of Sale of Negotiated Franchise: 9/26/2025

5. Name, title, business address and telephone number of individual to be contacted by the Department regarding this notice:
   Name: Bryce Rademan

   Title: President

   Business Address: 12300 South 62 East
   Draper, Utah 84020

   Telephone: (323) 257-5600

6. Date of this notice : 9/26/2025 | 12:48 PM PDT

DocuSigned by:
Bryce Rademan
99E4AA481D5B4A8...
Authorized Signature

Bryce Rademan
Printed Name of Signatory

ATTACHMENT TO NOTICE OF NEGOTIATED SALE OF FRANCHISE

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Current:

- Weekly Royalty - $125 per week or 5.5% of Gross Revenue
- Indemnification for third party claims associated with Franchised Restaurant

Change:

- Graduated Royalty – No Royalty for months 1-3; 3% of Gross Revenue in months 3-9; then greater of 5.5% of Gross Revenue or $125 per week for balance of term
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- Opening Inventory - $5,000 to $15,000
- Purchase Price for Assets of Operating Restaurant- $1.00
- Pre-Paid Rent & Security Deposits substituted with Beverage License Costs - $5,000 to $10,000

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Current: Franchise Agreement may be assigned to the transferee

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STATE OF CALIFORNIA – DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

FRANCHISE INVESTMENT LAW NOTICE OF NEGOTIATED SALE OF FRANCHISE UNDER SECTION 310.100.2, TITLE 10, CALIFORNIA CODE OF REGULATIONS

DFPI-310.100.2 (Rev. 11-20)

Department of Financial Protection and Innovation
File No. Org-160366 APP00001903
(Insert file-number of currently effective franchise registration)

STATE OF CALIFORNIA
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

1. (a) Name of FILER: Radwick Franchising, LLC
   (b) The above-named filer is filing as a (check one):
   ☑ FRANCHISOR ☐ SUBFRANCHISOR
   (c) If FILER is a SUBFRANCHISOR, the name of FRANCHISOR:

2. (a) Name of FRANCHISE: Pura Vida Enterprises, LLC
   (b) Contact Person: Jasmine Bermudez
   (c) Address: 1725 Hillhurst Ave.
   Los Angeles, CA 90027
   (d) Telephone: (323) 522-3309

3. A. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change: See attached.

   B. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change:

   C. (a) Offering Circular Item Number: See attached.
   (b) Description of Provisions in Currently Registered Offering Circular:
   See attached.
   (c) Description of Change: See attached.

(If additional space is needed, attach separate sheet (s) with respect to each additional item being changed using the above format)

FRANCHISE INVESTMENT LAW NOTICE OF NEGOTIATED SALE OF FRANCHISE UNDER SECTION 310.100.2, TITLE 10, CALIFORNIA CODE OF REGULATIONS

4. Date of Sale of Negotiated Franchise: 9/23/2025

5. Name, title, business address and telephone number of individual to be contacted by the Department regarding this notice:

   Name: Bryce Rademan

   Title: President

   Business Address: 12300 South 62 East
   Draper, Utah 84020

   Telephone: (323) 257-5600

6. Date of this notice : 9/26/2025 | 12:48 PM PDT

DocuSigned by:
Bryce Rademan
99E4AA481D5B4A8...

Authorized Signature

Bryce Rademan

Printed Name of Signatory

ATTACHMENT TO NOTICE OF NEGOTIATED SALE OF FRANCHISE

3. A. Offering Circular Item 5

Current:

- Initial Franchise Fee - $35,000

Change

- Initial Franchise Fee - $1.00

3 B. Offering Circular Item 6

Current:

- Weekly Royalty - $125 per week or 5.5% of Gross Revenue
- Indemnification for third party claims associated with Franchised Restaurant

Change:

- Graduated Royalty – No Royalty for months 1-3; 3% of Gross Revenue in months 3-9; then greater of 5.5% of Gross Revenue or $125 per week for balance of term
- Indemnification expanded to include payments made by Franchisor or any Affiliate in respect of any guaranty in favor of the landlord of the Franchised Location.

3. C. Item 7: Purchase Program Estimated Initial Investment

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- POS System and Software - $5,000 to $6,050
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- Pre-Paid Rent & Security Deposits - $14,000 to $56,000

Change:

- Opening Inventory - $5,000 to $15,000
- Purchase Price for Assets of Operating Restaurant- $1.00
- Pre-Paid Rent & Security Deposits substituted with Beverage License Costs - $5,000 to $10,000

3.D. Item 17 Franchise Agreement

Current: Franchise Agreement may be assigned to the transferee

Change: Negotiated terms specific to Franchisee are non-transferable and non-delegable.

STATE OF CALIFORNIA – DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

FRANCHISE INVESTMENT LAW NOTICE OF NEGOTIATED SALE OF FRANCHISE UNDER SECTION 310.100.2, TITLE 10, CALIFORNIA CODE OF REGULATIONS

DFPI-310.100.2 (Rev. 11-20)

Department of Financial Protection and Innovation
File No. App. ID app-31685
(Insert file-number of currently effective franchise registration)

STATE OF CALIFORNIA
DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

1. (a) Name of FILER: Radwick Franchising, LLC
   (b) The above-named filer is filing as a (check one):
   ☑ FRANCHISOR ☐ SUBFRANCHISOR
   (c) If FILER is a SUBFRANCHISOR, the name of FRANCHISOR:

2. (a) Name of FRANCHISE: Tiznado's Enterprises Inc.
   (b) Contact Person: Angel Manuel Tiznado
   (c) Address: 3737 Cahuenga Blvd Studio
   Studio City, California 91604
   (d) Telephone: 323-674-5320

3. A. (a) Offering Circular Item Number: 2024 FDD
   (b) Description of Provisions in Currently Registered Offering Circular:
   Initial Franchise Fee of $35,000 for a single outlet; weekly royalty fee of 5.5% of Gross Revenue

   (c) Description of Change: No Initial Franchise Fee and royalty abatement (no royalty months 1-3; 3% months 3-9) for manager who purchased Spitz Restaurant from Operating Company

   B. (a) Offering Circular Item Number:
   (b) Description of Provisions in Currently Registered Offering Circular:

   (c) Description of Change:

   C. (a) Offering Circular Item Number:
   (b) Description of Provisions in Currently Registered Offering Circular:

   (c) Description of Change:

(If additional space is needed, attach separate sheet (s) with respect to each additional item being changed using the above format)

FRANCHISE INVESTMENT LAW NOTICE OF NEGOTIATED SALE OF FRANCHISE UNDER SECTION 310.100.2, TITLE 10, CALIFORNIA CODE OF REGULATIONS

4. Date of Sale of Negotiated Franchise: January 1, 2025

5. Name, title, business address and telephone number of individual to be contacted by the Department regarding this notice:

   Name: Bryce Rademan

   Title: President

   Business Address: 12300 S. 62 E
   Draper, Utah 84020

   Telephone: (323) 257-5600

6. Date of this notice : April 18, 2025

DocuSigned by:
Bryce Rademan
99E4AA481D5B4A8...

Authorized Signature

Bryce Rademan

Printed Name of Signatory

CALIFORNIA
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "**Addendum**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**"), and _____, as franchisee ("**Franchisee**"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. Section 21.5 of the Franchise Agreement is amended by deleting the provision appearing in the text of the Franchise Agreement and substituting the following provision;

> Entire Agreement. This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement. No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement. This Agreement cannot be modified or changed except by written instrument signed by both of the Parties. Notwithstanding the foregoing, nothing in this Agreement or any related agreement is intended to disclaim the representations Franchisor made to Franchisee in the Franchise Disclosure Document

2. Section 21.15 of the Franchise Agreement is amended by deleting the text and substituting the following provision:

> 21.15 **Disclaimer Limitation**. Notwithstanding the foregoing, nothing in this Agreement or any other agreement with us shall disclaim or require you to waive reliance on any representation that we made in the most recent Franchise Disclosure Document (including its exhibits and amendments) that we delivered to you or your representative, subject to any agreed-upon changes to the contract terms and conditions described in that Franchise Disclosure Document and reflected in this Agreement (including any riders or addenda signed at the same time as this Agreement). No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

3. Section 21 of the Franchise Agreement by adding Section 21.16, as follows:

> 21.16 **Franchise Disclosure Document**. Franchisee acknowledges that it has received a copy of the complete Spitz Franchise Disclosure Document which contains a copy of this Agreement, at least fourteen (14) calendar days prior to the date on which this Agreement was executed, or at least 14 days prior to the receipt of any consideration, whichever occurs first.

4. For the purposes of Cal. Bus. & Prof. Code Section 20022, Franchisor and Franchisee agree that:

   a. Franchisee will use the declining-balance depreciation method to calculate the value of Franchisee's assets (inventory, supplies, equipment, fixtures, and furnishings) for the purposes of a purchase by Franchisor under Section 20022. The purchase price by Franchisor for these assets will not include the cost of removal and transportation of those assets, which will be Franchisee's responsibility.

   b. For the purposes of Section 20022, Franchisee is not able to provide to Franchisor with "clear title and possession" to Franchisee's Assets if those Assets are subject to liens or encumbrances including: (i) purchase money security interests; (ii) blanket security interests; (iii) rights of first refusal; (iv) liens by franchisee's landlord; or (v) tax liens.

   c. For the purposes of Section 20022(h), Franchisor's right of offset will include the following amounts owed by Franchisee to Franchisor or Franchisor's Affiliates: (i) Royalty Fees; (ii) Marketing Fund Fees; (iii) Transfer Fees; and (iv) any other type of fee owed by Franchisee to Franchisor or Franchisor's Affiliates.

5. For the purposes of Cal. Bus. & Prof. Code Section 20035, Franchisor and Franchisee agree that:

   a. "**Fair market value of the franchise assets**" means the value of Franchisee's Assets, valued according to the declining-balance method of depreciation. The purchase price by Franchisor for the Assets will not include the cost of removal and transportation of those assets, which will be Franchisee's responsibility.

   b. "**Fair market value of the franchised business**" means the "**fair market value of the franchise assets**" as defined above, plus goodwill. The parties agree that the value of goodwill is the amount of Royalty Fees paid by Franchisee to Franchisor within the twelve (12) month period immediately before Franchisor's termination or failure to renew if Franchisor is in violation of the California Franchise Relations Act.

6. For the purposes of Cal. Bus. & Prof. Code Section 31512.1, Franchisor and Franchisee agree that:

   a. Any provisions of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto,

disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

i. Representations made by franchisor or its personnel or agents to a prospective franchisee.

ii. Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

iii. Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.

iv. Violations of any provision of this division.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum and understands and consents to be bound by all of its terms.

FRANCHISOR:	**FRANCHISEE**:
RADWICK FRANCHISING, LLC	_____
A Delaware limited liability company	A _____
	By: _____
By: _____ Bryce Rademan	
Its: President	Name: _____
	Title: _____

SUPPLEMENTAL DISCLOSURE ADDENDUM
FOR PROSPECTIVE FRANCHISEES
IN THE STATE OF FLORIDA

Total Investment

We do not know the amount of the total required investment in a Restaurant over the term of the franchise. We do not request, obtain or receive this information from franchisees. We refer you to Item 7 for the known initial investment. Additional capital investments in the Restaurant will be necessary over the term of the franchise to maintain the Restaurant according to the Spitz System.

ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO THE ILLINOIS FRANCHISE DISCLOSURE ACT

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Illinois:

1. The Illinois Franchise Disclosure Act governs the Franchise Agreement.

2. Notwithstanding Item 5 of the Disclosure Document and Section 4 of the Franchise Agreement and Area Development Agreement, the Office of the Illinois Attorney General has imposed a financial assurance requirement due to Franchisor's financial condition. Franchisor has posted a surety bond with the Office of the Illinois Attorney General to secure its obligations under the Franchise Agreement and the Area Development Agreement to furnish goods and services to assist franchisees in establishing and opening their franchised business. The surety bond will be released at the discretion of the Office of the Illinois Attorney General. The initial franchise fee will be payable at the signing of the Franchise Agreement. For an Area Development Agreement, the Initial Franchise Fee for each Spitz Restaurant will be paid when its Franchise Agreement is signed. Area Developer pays no Development Fee when the parties sign the Area Development Agreement.

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

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

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

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. For info about obtaining a liquor license in Illinois, see: https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx.

8. For info about obtaining TIPS certification in Illinois, see: https://www.tipscertified.com/tips-state-pages/illinois/.

9. See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

ADDENDUM TO THE FRANCHISE AGREEMENT PURSUANT TO THE ILLINOIS FRANCHISE DISCLOSURE ACT

This "Addendum" is made and entered into by and between This "Addendum" dated _____, ____is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**", "we", "our" or "us"), and _____, a _____ and as franchisee ("**Franchisee**" or you"), to amend and supplement that certain Franchise Agreement ("**Franchise Agreement**") that we and you have executed, and is dated as of the same date. The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Illinois law governs the Franchise Agreement.

2. Notwithstanding Section 4 the Franchise Agreement and Section 4 of the Area Development Agreement, 4 of the Area Development Agreement, The Office of the Illinois Attorney General has imposed a financial assurance requirement due to Franchisor's financial condition. Franchisor has posted a surety bond with the Office of the Illinois Attorney General to secure its obligations under the Franchise Agreement and Area Development Agreement to furnish goods and services to assist franchisees in establishing and opening their franchised business. The surety bond will be released at the discretion of the Office of the Illinois Attorney General.

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

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

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

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Illinois.

8. For info about obtaining a liquor license in Illinois, see: https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx. For info about obtaining TIPS certification in Illinois, see: https://www.tipscertified.com/tips-state-pages/illinois/. See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

(Signature Page for Illinois Addendum)

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

_____

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

ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT PURSUANT TO THE ILLINOIS FRANCHISE DISCLOSURE ACT

This "Addendum" is made and entered into by and between This "Addendum" dated _____, ____is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**", "we", "our" or "us"), and _____, a _____ and as franchisee ("**Franchisee.**" "**Area Developer**" or you"), to amend and supplement that certain Area Development Agreement ("**Area Development Agreement**") that we and you have executed and is dated as of the same date. The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Illinois law governs the Area Development Agreement.

2. Notwithstanding Section 4 of the Area Development Agreement, The Office of the Illinois Attorney General has imposed a financial assurance requirement due to Franchisor's financial condition. Franchisor has posted a surety bond with the Office of the Illinois Attorney General to secure its obligations under the Area Development Agreement to furnish goods and services to assist franchisees in establishing and opening their franchised business. The surety bond will be released at the discretion of the Office of the Illinois Attorney General. Each Franchisee pays the Initial Franchise Fee specified under the Area Development for each Spitz Restaurant when its Franchise Agreement is signed. No Development Fee is payable under Section 4.1 when the parties sign the Area Development Agreement.

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

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

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

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Illinois.

8. For info about obtaining a liquor license in Illinois, see: https://www.illinois.gov/ilcc/Pages/Forms-and-Applications.aspx. For info about obtaining TIPS certification in Illinois, see: https://www.tipscertified.com/tips-state-pages/illinois/. See: the Liquor Control Act of 1934, 235 ILCS 5/ (West 2018) for Illinois Dram Shop laws.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

_____

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

ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO THE INDIANA FRANCHISE DISCLOSURE LAW AND THE INDIANA DECEPTIVE FRANCHISE PRACTICES ACT

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of this Disclosure Document, the Franchise Agreement, the other agreements or Delaware law if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as a material breach of the Franchise Agreement, shall supersede the provisions of Section 16 of the Franchise Agreement in the State of Indiana to the extent that may be inconsistent with such prohibition.

3. Notwithstanding the Franchise Agreement, you recognize that in the event of any use of the System not in accord with that Agreement, we shall be entitled to seek injunctive and other relief.

4. No release language set forth in the Disclosure Document or Franchise Agreement, including but limited to Item 17 or Section 17 of the Agreement, respectively, shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.

5. Section 19 of the Franchise Agreement is amended to provide that each such agreement (as applicable) will be construed in accordance with the laws of the State of Indiana.

6. Any provision in the Disclosure Document or Franchise Agreement which designates jurisdiction or venue, or requires franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, may not be enforceable.

7. Section 19.6 (Jury Trial Waiver) of the Franchise Agreement is deleted from all Agreements entered into in Indiana.

ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Maryland.

1. The following is added to Item 5:

   Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. We have posted a surety bond with the Maryland Securities Commissioner to secure our obligations under the Area Development Agreement and the Franchise Agreement to provide and complete pre-opening services, support and purchases from us. The surety bond will remain in place until released by the Securities Commissioner.

2. Item 17 is amended to provide that:

   a. 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.

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

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

   d. The provision in the Franchise Agreement that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

3. 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.

4. No Operating Spitz Restaurant will be offered or sold to a Maryland resident or for operation in Maryland by a franchisee.

ADDENDUM TO THE FRANCHISE AGREEMENT UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW

This "Addendum" dated _____, ____is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**", "we", "our" or "us"), and _____, a _____ and as franchisee ("**Franchisee**" or you"), to amend and supplement that certain Franchise Agreement ("**Franchise Agreement**") that we and you have executed, and is dated as of the same date.

1. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. We have posted a surety bond with the Maryland Securities Commissioner to secure our obligations under the Franchise Agreement to provide and complete pre-opening services, support and purchases from us. The surety bond will remain in place until released by the Securities Commissioner.

2. Our right to terminate in Section 16.1 of the Franchise Agreement if you commence bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. 101 et seq.).

3. Except for the first sentence, Section 21.14 of the Franchise Agreement is deleted.

4. Sections 21.10, 21.11 and 21.15 of the Franchise Agreement are deleted and shall not be enforceable against Franchisee.

5. Any general release required as a condition of renewal, sale, and/or assignment or transfer of the Store or the Franchise Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

6. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law.

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

8. 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.

9. 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.

10. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Maryland.

(Signature Page for Maryland Addendum)

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

_____

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

ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW

This "Addendum" dated _____, ____is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**", ("we", "our" or "us"), and _____, a _____ and as franchisee ("**Franchisee**" or you"), to amend and supplement that certain Area Development Agreement ("**Area Agreement**") that we and you have executed, and is dated as of the same date.

1. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. We have posted a surety bond with the Maryland Securities Commissioner to secure our obligations under the Area Agreement to provide and complete pre-opening services, support and purchases from us. The surety bond will remain in place until released by the Securities Commissioner.

2. Our right to terminate in Sections 10 and 11 of the Area Agreement if you commence bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. 101 et seq.).

3. Sections 18.12, 18.13, 18.14, and 18.16 are deleted from the Area Agreement and shall not be enforceable against Franchisee.

4. Any general release required as a condition of renewal, sale, and/or assignment or transfer of the Store or the Franchise Agreement shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

5. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law.

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

7. 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.

8. 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.

9. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Maryland.

(Signature Page for Maryland Addendum)

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

_____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE DEPARTMENT, 670 LAW BLDG., LANSING, MICHIGAN 48913, (517) 373-7117.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE MINNESOTA FRANCHISE INVESTMENT LAW

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Minnesota:

1. Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchiser 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 Statute 80Cor (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

3. Minnesota statute §80C14 provides: It shall be deemed unfair and inequitable for any person to:

(A) Terminate or cancel a franchise without first giving written notice setting forth all the reasons for the termination or cancellation to the Franchisee at least 90 days in advance of termination or cancellation, and the recipient of a notice fails to correct the reasons stated for cancellation or termination within 60 days within receipt of the notice, except that the notice shall be effective immediately upon receipt where the alleged grounds are:

(i) Voluntary abandonment of the franchise relationship by the Franchisee;

(ii) The conviction of the Franchisee of an offense directly related to the business conducted pursuant to the franchise; or

(iii) Failure to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the Franchisor's trade name, Trademark, service mark, logotype or other commercial symbol after the Franchisee has received written notice to cure of at least 24 hours in advance thereof;

(B) Terminate or cancel a franchise except for good cause. "Good cause" shall be failure by the Franchisee substantially to comply with reasonable requirements imposed upon him by the franchise including, but not limited to:

(i) The bankruptcy or insolvency of the Franchisee;

(ii) Assignment for the benefit of creditors or similar disposition of the assets of the franchise business;

(iii) Voluntary abandonment of the franchise business;

(iv) Conviction or a plea of guilty or no contest to a charge of violating any law relating to the franchise business; or

(v) Any act by, or conduct of, the Franchisee which materially impairs the goodwill associated with the Franchisor's Trademark, trade name, service mark, logotype or other commercial symbol.

(C) Unless the failure to renew the franchise is for good cause as defined in clause (B), Franchisor may not fail to renew a franchise unless (i) the Franchisee has been given written notice of the intention not to renew at least 180 days in advance thereof and (ii) has been given an opportunity to operate the franchise over a sufficient period of time to enable the franchisee to recover the fair market value of the franchise as a going concern measured from the date of the failure to renew. No franchisor may refuse to renew a franchise if the refusal is for the purpose of converting the franchisee's business premises to an operation that will be owned by the franchisor for its own account.

4. A franchisor may not unreasonably withhold consent to an assignment, transfer, or sale of the franchise where the assignee meets the present qualifications and standards required of other franchisees.

5. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. The franchiser 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.

6. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

7. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

8. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

9. Insufficient fund checks are governed by Minn. Stat. 604.113, which puts a cap of $30 on service charges.

10. Item 13 "**Trademarks**" the Franchise Disclosure Document is amended as follows:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice

to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 13 is further amended by adding the following:

"As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any of your costs incurred in the defense of your right to use the Spitz Marks, so long as you were using the Spitz Marks in the manner authorized by us, and so long as we are timely notified of the claim and are given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim."

11. Item 17 "**Renewal, Termination, Transfer and Dispute Resolution**" is amended by adding the following:

A. **Renewal and Termination**

"With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement."

B. **Choice of Forum**

"Minn. Stat. Sec. 80C.21 and Minnesota Rules 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

C. **Releases**

"A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sec. 80C.22."

D. **Limitation of Claims**

"With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Section 80C.17, Subd. 5, which requires that no action may be commenced more than three years after the cause of action accrues."

12. Items 5 and 7 of the Disclosure Document are amended to disclose that the payment of the Initial Franchise Fees under the Franchise Agreement and the Development Fees under the Area Development Agreement are deferred until the opening of the Spitz Restaurant and its commencement of business. This financial assurance requirement was imposed by the Minnesota Department of Commerce Securities Commission due to Franchisor's financial condition.

13. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

14. **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.

MINNESOTA
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "**Addendum**") dated_____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between Radwick Franchising, LLC, a Delaware limited liability company, as franchisor ("**Franchisor**") and _____, a _____, as franchisee ("**Franchisee**"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

The Franchise Agreement is specifically amended as follows:

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et seq., the parties to the attached Franchise Agreement agree as follows:

1. Section 3.1 "**Initial Term**", shall be supplemented by the following new paragraph:

   "With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement."

2. Section 3.2 "**Renewal Right**", shall be supplemented by the following new paragraph:

   "With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement."

3. The following language is added at the end of Section 4.1 of the Franchise Agreement:

   "All initial fees and payments to be paid to Franchisor shall be deferred until the first business day following the date that Franchisor has completed all of Franchisor's material initial obligations to Franchisee under the Franchise Agreement, and Franchisee commences doing business at the franchised location, at which time all initial fees and payments shall become immediately due and payable."

4. Article 9 "**Spitz Marks**" shall be supplemented by the following new paragraph:

   "As required by Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), Franchisor will reimburse Franchisee for any costs incurred by Franchisee in the defense of Franchisee's right to use the Spitz Marks, so long as Franchisee was using the Spitz Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and is

given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim."

5. Section 14.4 "**Conditions of Assignment to Third Party**" shall be supplemented by the following new sentence:

"A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sec. 80C.22."

6. Article 16 "**Default and Termination**" shall be supplemented by the following new paragraph:

"With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement."

7. Section 19.1 **"Judicial Relief"** (regarding choice of forum), shall be supplemented by the following:

"Minn. Stat. Sec. 80C.21 and Minnesota Rules 2860.4400(J) prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Franchisee to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

8. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

9. In the event of any conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall prevail.

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

11. **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.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms.

FRANCHISOR:	FRANCHISEE:
RADWICK FRANCHISING, LLC A Delaware limited liability company	_____ A _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

MINNESOTA
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Area Development Agreement (the "Area Development Agreement") dated _____, by and between Radwick Franchising, LLC, a Delaware limited liability company, as franchisor ("Franchisor") and _____, as Area Developer ("Area Developer"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Area Development Agreement shall have the identical meanings in this Addendum.

The Area Development Agreement is specifically amended as follows:

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et seq., the parties to the attached Area Development Agreement agree as follows:

1. Article 3 "**Initial Term**", shall be supplemented by the following new paragraph:

   "With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Area Developer be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement."

2. The following language is added at the end of Section 4.1 of the Area Development Agreement:

   "All initial fees and payments to be paid to Franchisor shall be deferred until the first business day following the date that Franchisor has completed all of Franchisor's material initial obligations to Developer under the Area Development Agreement, and Developer commences doing business at the first franchised location, at which time all initial fees and payments shall become immediately due and payable."

3. Article 7 "**Spitz Marks**" shall be supplemented by the following new paragraph:

   "As required by Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), Franchisor will reimburse Area Developer for any costs incurred by Area Developer in the defense of Area Developer's right to use the Spitz Marks, so long as Area Developer was using the Spitz Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim."

4. Article 9 "**Transfer of Interest**" shall be supplemented by the following new sentence:

"A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sec. 80C.22."

5. Article 11 "**Default and Termination**" shall be supplemented by the following new paragraph:

"With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Area Developer be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement."

6. Section 15.1 "**Judicial Relief**" (regarding choice of forum), shall be supplemented by the following:

"Minn. Stat. Sec. 80C.21 and Minnesota Rules 2860.4400(J) prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring Area Developer to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the Disclosure Document or Area Development Agreement can abrogate or reduce any of Area Developer's rights as provided for in Minnesota Statutes 1984, Chapter 80C, or Area Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

7. In the event of any conflict between the terms of this Addendum and the terms of the Franchise Agreement or Area Development Agreement, the terms of this Addendum shall prevail.

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

9. **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.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms.

FRANCHISOR:	**AREA DEVELOPER:**
RADWICK FRANCHISING, LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO THE VIRGINIA RETAIL FRANCHISING ACT

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Virginia:

1. The following is added to Item 5:

   The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement. This deferral also applies to Development Fees and Initial Franchise Fees payable under an Area Development Agreement.

2. The following is added to Item 17(h):

   (a) Any provision in any of the contracts that you sign with the Franchisor which provides for termination of the franchise upon the bankruptcy of the Franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 *et. seq*.).

   (b) Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act (the "Virginia 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 and/or the Development Agreement do not constitute reasonable cause, as that term may be defined in the Virginia Act or the laws of Virginia, that provision may not be enforceable.

3. The Virginia Retail Franchise Act, Va. Code Sections 13.1-557 *et seq*., as amended effective July 1, 2026, prohibits the inclusion of post-termination or post-expiration non-competition covenants in franchise agreements where the franchisee is required to establish or maintain a place of business within the Commonwealth of Virginia. Accordingly, on and after July 1, 2026, the following modifications apply to the Franchise Disclosure Document with respect to Virginia franchisees:

   (a) Post-Termination Non-Compete. Any provision described in Item 17 that restricts a franchisee's right to engage in the business of offering, selling, or distributing goods or services at retail following termination or expiration of the franchise agreement is void and unenforceable under Virginia law and shall not apply to franchised businesses in Virginia.

   (b) Resale Non-Compete Exception. A covenant not to compete of up to two (2) years in duration may be included in connection with a franchisee's sale of the franchised business. to a third party or back to Franchisor at a mutually agreed-upon price, as permitted by Va. Code Section 13.1-563(B).

   (c) Governing Law. To the extent the franchise agreement contemplates or requires the franchisee to establish or maintain a place of business in Virginia, the franchise agreement shall be governed by Virginia law pursuant to Va. Code Section 13.1-559(D).

4. 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.

ADDENDUM TO THE FRANCHISE AGREEMENT PURSUANT TO THE VIRGINIA RETAIL FRANCHISING ACT

This "Addendum" dated _____, ____is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**", ("we", "our" or "us"), and _____, a _____ and as franchisee ("**Franchisee**" or you"), to amend and supplement that certain Franchise Agreement ("**Franchise Agreement**") that we and you have executed, and is dated as of the same date. The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Based upon the franchisor's financial condition, the Virginia State Corporation Commission Division of Securities and Retail Franchising has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. Notwithstanding Sections 4.1 and 4.4 of the Franchise Agreement, the Initial Franchise Fee and all other fees payable to Franchisor prior to opening of the Spitz Restaurant will not be due and payable until the Opening Date. If the Franchise Agreement terminates prior to the Opening Date as a result of Franchisee's default and failure to cure the default, if any such curative right is offered under the Franchise Agreement, then Franchisor may seek its actual damages, which may include the Initial Franchise Fee.

2. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act (the "Virginia 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 Act or the laws of Virginia, that provision may not be enforceable.

3. You acknowledge that your failure to pay the Initial Franchise Fee when due is a material default under the Franchise Agreement and we can suspend providing services to you and cause approved suppliers to suspend providing goods and services to you, until we receive the Initial Franchise Fee.

4. You acknowledge that your failure to pay the Initial Franchise Fee when due for a Franchised Restaurant developed under an Area Development Agreement is a material default under its Franchise Agreement and the Area Development Agreement, and we can suspend providing services to you, and cause approved suppliers to suspend providing goods and services to you, until we receive the Initial Franchise Fee. In addition, you will have no right to proceed with developing other Franchised Restaurants, and our obligation to provide services and approvals to under the Area Development Agreement, shall be suspended until we receive the Initial Franchise Fee then due. No such failure to pay the Initial Franchise Fee when due and the resulting suspension of our performance shall extend any deadline for your performance under the Area Development Agreement.

5. Effective July 1, 2026, notwithstanding any provision of the Agreement to the contrary, any provision of the Agreement that restricts the right of Franchisee to engage in the business of offering, selling, or distributing goods or services at retail after the termination or

expiration of the Agreement is void and will be of no force or effect with respect to Virginia, pursuant to Va. Code Section 13.1-563(A)(4)(as amended effective July 1, 2026).

6. Effective July 1, 2026, nothing in this Addendum shall be construed to limit the enforceability of a covenant not to compete entered into in connection with the sale of the franchised business by Franchisee to a third-party or back to Franchisor at a mutually agreed upon price, provided that such covenant does not restrict the right of such Franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period exceeding two (2) years following the date of such sale, as permitted by Va. Code Section 13.1-563(B).

7. Effective July 1, 2026, pursuant to Va. Code Section 13.1559(D), to the extent the franchise agreement contemplates or requires the franchisee to establish or maintain a place of business in Virginia, the franchise agreement shall be governed by Virginia law.

8. 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.

9. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Virginia.

[signatures next page]

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

_____

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

ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT PURSUANT TO THE VIRGINIA RETAIL FRANCHISING ACT

This "Addendum" dated _____, ____is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("**Franchisor**", ("we", "our" or "us"), and _____, a _____ and as franchisee ("**Franchisee**" or you"), to amend and supplement that certain Area Development Agreement ("**Area Agreement**") that we and you have executed, and is dated as of the same date. The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. Based upon the franchisor's financial condition, the Virginia State Corporation Commission Division of Securities and Retail Franchising has required a financial assurance. Therefore, all development fees, initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. Notwithstanding Sections 4.1 and 4.2 of the Area Agreement, the Development Fee, the Initial Franchise Fees and all other fees payable to Franchisor prior to opening of the first Spitz Restaurant will not be due and payable until the Opening Date of such first Spitz Restaurant. If the Area Agreement terminates prior to the Opening Date as a result of Franchisee's default and failure to cure the default, if any such curative right is offered under the Area Agreement, then Franchisor may seek its actual damages, which may include the Development Fee and any unpaid Initial Franchise Fee.

2. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act (the "Virginia Act"), it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Area Agreement do not constitute reasonable cause, as that term may be defined in the Virginia Act or the laws of Virginia, that provision may not be enforceable.

3. You acknowledge that your failure to pay the Initial Franchise Fee when due is a material default under the Franchise Agreement and we can suspend providing services to you and cause approved suppliers to suspend providing goods and services to you, until we receive the Initial Franchise Fee.

4. You acknowledge that your failure to pay the Initial Franchise Fee when due for a Franchised Restaurant developed under an Area Agreement is a material default under its Franchise Agreement and the Area Agreement, and we can suspend providing services to you, and cause approved suppliers to suspend providing goods and services to you, until we receive the Initial Franchise Fee. In addition, you will have no right to proceed with developing other Franchised Restaurants, and our obligation to provide services and approvals to under the Area Agreement, shall be suspended until we receive the Initial Franchise Fee then due. No such failure to pay the Initial Franchise Fee when due and the resulting suspension of our performance shall extend any deadline for your performance under the Area Agreement.

5. Effective July 1, 2026, notwithstanding any provision of the Agreement to the contrary, any provision of the Agreement that restricts the right of Franchisee to engage in the business of offering, selling, or distributing goods or services at retail after the termination or

expiration of the Agreement is void and will be of no force or effect with respect to Virginia, pursuant to Va. Code Section 13.1-563(A)(4)(as amended effective July 1, 2026).

6. Effective July 1, 2026, nothing in this Addendum shall be construed to limit the enforceability of a covenant not to compete entered into in connection with the sale of the franchised business by Franchisee to a third-party or back to Franchisor at a mutually agreed upon price, provided that such covenant does not restrict the right of such Franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period exceeding two (2) years following the date of such sale, as permitted by Va. Code Section 13.1-563(B).

7. Effective July 1, 2026, pursuant to Va. Code Section 13.1559(D), to the extent the franchise agreement contemplates or requires the franchisee to establish or maintain a place of business in Virginia, the franchise agreement shall be governed by Virginia law.

8. 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.

9. All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Virginia.

[signatures next page]

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

_____

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

ADDENDUM TO THE DISCLOSURE DOCUMENT PURSUANT TO THE WISCONSIN FRANCHISE INVESTMENT LAW

The following provisions supersede the Disclosure Document and apply to all franchises offered and sold in the State of Wisconsin.

1. **REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OF THE STATE OF WISCONSIN.**

2. The following applies to Franchise Agreements in the State of Wisconsin:

   (A) The Wisconsin Fair Dealership Act, Wisconsin Statutes, Chapter 135 (the Act), shall apply to and govern the provisions of Franchise Agreements issued in the State of Wisconsin.

   (B) The Act's requirements that Franchisor must provide franchisee at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. This notice will state all the reasons for termination, cancellation or substantial change in competitive circumstances and will provide that franchisee has 60 days in which to cure any claimed deficiency. If the deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation or substantial change in competitive circumstances is nonpayment of sums due under the franchise, franchisee will have 10 days to cure the deficiency.

ADDENDUM TO THE FRANCHISE AGREEMENT PURSUANT TO THE WISCONSIN FRANCHISE INVESTMENT LAW

This "Addendum" is made and entered into by and between **Radwick Franchising, LLC,** a Delaware limited liability company, as franchisor ("Franchisor", "we", "our" or "us"), as franchisor and _____, a _____ ("Franchisee" or "you"), as franchisee, to amend and supplement that certain Franchise Agreement that we and you have executed, and is dated as of the same date. The following provisions supersede and control any conflicting provisions of the Franchise Agreement:

1. The Wisconsin Fair Dealership Act, Wisconsin Statutes, Chapter 135 (the "Act"), shall apply to and govern the provisions of the Franchise Agreement.

2. The Act's requirements, including that in certain circumstances a Franchisee receive ninety (90) day notice of termination, cancellation, non-renewal or substantial change in competitive circumstances, and sixty (60) days to remedy claimed deficiencies, shall supersede the provisions of Section 16 of the Franchise Agreement to the extent they may be inconsistent with the Act's requirements.

All other rights, obligations, and provisions of the Franchise Agreement shall remain in full force and effect. This Addendum is incorporated in and made a part of the Franchise Agreement for the State of Wisconsin.

IN WITNESS WHEREOF, each of the parties hereto has caused this Addendum to be executed by its duly authorized representative as of the date of the Franchise Agreement.

FRANCHISOR

RADWICK FRANCHISING, LLC

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

FRANCHISEE

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

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration as of the Effective Date stated below:

State	**Effective Date**
California	Pending
Illinois	April 28, 2026
Maryland	Pending
Michigan	Pending
Minnesota	Pending
Virginia	May 20, 2026
Washington	Pending
Wisconsin	April 21, 2026

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.

RADWICK FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT O
RECEIPTS

RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Radwick Franchising, LLC offers you a franchise, Radwick Franchising, LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at the earlier of 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Radwick Franchising, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to The Federal Trade Commission, Washington D.C. 20580 and the appropriate State Agency Identified on Exhibit L.

The franchisor is Radwick Franchising, LLC, located at 12300 S. 62 E, Draper, Utah 84020; Telephone (323) 257-5600.

Issuance Date: April 16, 2026

The name, principal business address and telephone number of each Franchise Seller offering the Franchise: Bryce Rademan, 12300 S. 62 E, Draper, UT 84020, (323) 257-5600; SL Franchise Group: Larry Schwartz and Vincent Blumetti, 3565 Piedmont Rd. NE, Bldg. One, Suite 400, Atlanta, GA 30305; (678) 458-5157; Sarah Conroy, (231) 632-9358.

We authorize the persons and/or entities listed on Exhibit M to receive service of process for us.

I have received a Disclosure Document dated April 16, 2026. This Disclosure Document includes the following Exhibits:

Exhibit A	Franchise Agreement and Attachments	Exhibit H	General Release Agreement
Exhibit B	Area Development Agreement and Attachments	Exhibit I	Franchise Compliance Certificates
Exhibit C	Asset Purchase Agreement	Exhibit J	Guarantee
Exhibit D	Option to Obtain Lease Assignment	Exhibit K	Financial Statements
Exhibit E	Mobile Restaurant Addendum; Non-Traditional Venue Addendum	Exhibit L	State Administrators and Agents for Service of Process
Exhibit F	Confidentiality Agreement for Prospective Franchisees	Exhibit M	Franchisee List
Exhibit G	Confidentiality Agreement for Employees of Franchisee	Exhibit O	State Specific Addenda
		Exhibit P	Receipts

_____ _____

Date Franchisee

Please sign this copy of the Receipt, date your signature, and return it to Bryce Rademan, 12300 S. 62 E Draper, UT 84020, or scan and email to brycerademan@spitzrestaurant.com. .

RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Radwick Franchising, LLC offers you a franchise, Radwick Franchising, LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at the earlier of 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Radwick Franchising, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to The Federal Trade Commission, Washington D.C. 20580 and the appropriate State Agency Identified on Exhibit L.

The franchisor is Radwick Franchising, LLC, located at 12300 S. 62 E, Draper, Utah 84020; Telephone (323) 257-5600.

Issuance Date: April 16, 2026

The name, principal business address and telephone number of each Franchise Seller offering the Franchise: Bryce Rademan, 12300 S. 62 E, Draper, UT 84020, (323) 257-5600; SL Franchise Group: Larry Schwartz and Vincent Blumetti, 3565 Piedmont Rd. NE, Bldg. One, Suite 400, Atlanta, GA 30305; (678) 458-5157; Sarah Conroy, (231) 632-9358.

We authorize the persons and/or entities listed on Exhibit M to receive service of process for us.

I have received a Disclosure Document dated April 16, 2026. This Disclosure Document includes the following Exhibits:

Exhibit A	Franchise Agreement and Attachments	Exhibit H	General Release Agreement
Exhibit B	Area Development Agreement and Attachments	Exhibit I	Franchise Compliance Certificates
Exhibit C	Asset Purchase Agreement	Exhibit J	Guarantee
Exhibit D	Option to Obtain Lease Assignment	Exhibit K	Financial Statements
Exhibit E	Mobile Restaurant Addendum; Non-Traditional Venue Addendum	Exhibit L	State Administrators and Agents for Service of Process
Exhibit F	Confidentiality Agreement for Prospective Franchisees	Exhibit M	Franchisee List
Exhibit G	Confidentiality Agreement for Employees of Franchisee	Exhibit O	State Specific Addenda
		Exhibit P	Receipts

_____ _____

Date Franchisee

Please sign this copy of the Receipt, date your signature, and return it to Bryce Rademan, 12300 S. 62 E Draper, UT 84020, or scan and email to brycerademan@spitzrestaurant.com.