**WINGER'S FRANCHISING, INC.**

# FRANCHISE DISCLOSURE DOCUMENT

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|---|---|
| WINGERS ALEHOUSE | Winger's Franchising, Inc.<br>a Utah corporation<br>3950 South 700 East #302<br>Salt Lake City, Utah 84107<br>(801) 261-3700<br>support@wingerbros.com<br>www.wingerbros.com |

As a franchisee, you will operate one or more restaurants, offering award winning food and craft beer restaurant services (referred to as a "franchise business" in this disclosure document). The franchise business will provide a wide variety of menu items, including Winger's Signature Original Wings.

The total investment necessary to begin operation of a Wingers Alehouse™ franchise is between $419,800 and $1,709,000. This includes $40,000 that must be paid to the Franchisor or an affiliate. You have the option to enter into an area development agreement for the development of either three or five Wingers Alehouse™ franchise businesses. The initial investment necessary to enter into a 3-unit area development agreement for the development of Wingers Alehouse™ franchised businesses ranges from $1,236,400 to $5,092,000. This includes $85,000 initial area development fee that must be paid to the franchisor or an affiliate. The initial investment necessary to enter into a 5-unit area development agreement for the development of Wingers Alehouse™ franchised businesses ranges from $2,029,000 to $8,475,000. This includes $130,000 initial area development fee that must be paid to the franchisor or an affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Eric Slaymaker at 3950 South 700 East #302, Salt Lake City, Utah 84107, 801-261-3700 and eric@wingerbros.com.

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

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

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

Issuance Date: April 10, 2025

## 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 "C." |
| **How much will I need to invest?** | Items 5 and 6 list fees that 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 "B" 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 Wingers Alehouse™ 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 Wingers Alehouse™ franchisee?** | Item 20 or Exhibit "C" 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 "F."

Your state may also 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 the franchisor by mediation, arbitration and/or litigation only in Salt Lake County, Utah. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Salt Lake County, Utah than in your own state.

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

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## FRANCHISE DISCLOSURE DOCUMENT

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

The Franchisor. The name of the franchisor is Winger's Franchising, Inc. In this disclosure document Winger's Franchising, Inc. is referred to as "we," "us" or "our" or "Winger's"; "franchisee," "you," or "yours" means the person or persons, individually and collectively, who buys the franchise from us and includes the current and future owners of a franchisee that is a corporation, partnership or other entity.

Our company was incorporated on March 4, 1997, in the State of Utah under the name Winger's Franchising, Inc. Our principal place of business is 3950 South 700 East #302, Salt Lake City, Utah 84107.

Our agents for service of process in various states are disclosed in Exhibit "E."

In the past Winger's Franchising, Inc. has offered a series of franchises and restaurants using similar concepts, recipes and systems. The restaurants under the Winger's® system of restaurants are Winger's Roadhouse™, Winger's Roadhouse Grill™, Wingers Alehouse™, and Winger's Roadside Diner™ and they all use a central website, wingersbros.com. We no longer offer franchises for any Wingers system concept except Wingers Alehouse™ but these other restaurants are still part of the Winger's® system of restaurants.

This disclosure document is for the Wingers Alehouse™ franchise business only. We and our affiliates operate businesses similar to the one you will operate. It is our goal to move each of our franchises and company and affiliate owned restaurants to the Wingers Alehouse™ concept. The main differences between the Wingers Alehouse™ and the other Wingers system restaurants includes a more robust emphasis on beer and craft beers, additional menu items to reflect a more elevated culinary and gastro-pub influence, and updated interior and exterior décor. As of the date of this disclosure document, we have not offered for sale or sold franchises in any other line of business. We began offering and selling franchises in 1997.

Parents, Predecessors and Affiliates. Winger's is a wholly owned subsidiary of Winger's USA, Inc. a Utah corporation ("WUI"). Winger's USA, Inc. was incorporated on June 18, 1993, in the state of Utah. Its principal place of business is 3950 South 700 East #302, Salt Lake City, Utah 84107. WUI operates the original Winger's restaurant in Salt Lake City, Utah and serves as the holding company for the system's intellectual property, some of which has been licensed to Winger's for use in connection with franchise businesses. WUI also has a majority ownership interest in 5 company-owned Wingers system restaurants in Idaho and Utah.
We have no other parents, predecessors or affiliates required to be discussed in this item.

Franchise Offered. We license and train others to operate Wingers® restaurant businesses. As a Wingers Alehouse™ franchisee, you will offer an award winning food and craft beer restaurant business. The grant of a franchise authorizes you to engage in our complete system under the name Wingers Alehouse™ and other proprietary marks.

The concept is designed to appeal to a broad segment of the dining and bar market from families to adults of all ages. The core customer base is between 18 to 54 years old, with a service staff that is attractive, energetic and outgoing. We primarily cater to on-premises dining and bar business, with some take-out sales. You will be required to purchase specific materials, supplies and equipment and to operate the franchise business in accordance with our standards, methods, policies and procedures in the operation of your franchise business that are described in more detail in our franchise agreement attached as Exhibit "A" to this disclosure document.

You also may enter into an area development agreement with us for the development of additional franchise units (see Exhibit "H"). The size of the development area, the number of units to be developed, and the development schedule are negotiable, but you must enter into either a 3-unit or a 5-unit area development agreement. You will be required to sign our then-current franchise agreement for each unit as developed, which terms may differ from the current franchise agreement included with this FDD. Unless specifically stated otherwise, the disclosures for an area development are the same as for a single unit.

General Description of Market and Competition. The general market for Wingers Alehouse™ services and products is well-developed and competitive. You will typically compete with other established dining establishments. There are many of these competitors from large national chains such as Applebee's, Chili's, Red Robin and others, to small independent operators. You may also encounter competition from other Wingers Alehouse™ franchises and other Wingers® system restaurants operated by us or other franchisees outside your territory.

Uniformity of franchise agreements among our franchisees may not always be possible or practical. We and our predecessors have offered in the past and we may offer in the future, franchise agreements to other franchisees on terms materially different from those included in this disclosure document. We also may materially vary the franchise agreement terms, conditions, and obligations (including those relating to fees, territories, training and other items) offered to other franchisees and except as may be required by applicable law we have no obligation to disclose these variations to you or to grant the same or similar variation to you.

Laws and Regulations. You are required to follow all laws and regulations that apply to business generally. In addition, your business is subject to federal, state, and local health and consumer protection laws and other regulations and guidelines governing the food service industry, including licensing, health, sanitation, menu labeling, smoking, safety, fire and other matters, food and safety regulations. The Food and Drug administration, the United States Department of Agriculture and food industry organizations, including the National Restaurants Association, have established rules affecting this industry. You may be required to obtain a food handler's permit and a liquor license or alcohol certificate and liquor handling training in your state, as well as follow applicable dram shop laws. You will be responsible for obtaining all necessary licenses and permits regarding the sale of alcoholic beverages, and you have to know the laws and regulations governing the sale of these items including minimum age restrictions for purchasers and employees who sell these products, special training requirements, and regulations on the hours of sales for these products. You may be required to obtain additional insurance coverage, which may increase your premium payments. The Clean Air Act and state implementing laws may also require certain geographic areas to attain and maintain certain air quality standards for ozone, carbon monoxide and particulate matters. As a result, businesses involved in commercial food preparation may be subject to caps on emissions.

You must investigate local zoning rules because they may limit where you can locate your franchise business and may affect the design features including the building façade and signs. In many jurisdictions, you will also be required to obtain a sign permit. You should also be aware of federal, state, and local environmental laws about the disposal of waste materials and packaging. You must investigate and comply with applicable state and federal wage, hour, and other employment laws. You may be required by local law to participate in a recycling program, which may require that you register and make ongoing fee payments. Some jurisdictions have passed laws that require businesses to pay their employees a higher minimum wage than what is required under federal law, which laws may disproportionately affect franchised businesses.

At your cost and expense, you must investigate and ensure that you comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements. You are not permitted to collect, store, transfer, etc., any unnecessary customer information. Additional information can be found at https://www.pcisecuritystandards.org/ [franchise agreement paragraph 6.1.12 (iv].

The details of state, county and local laws and regulations vary from place to place. It is your responsibility to research these matters. Please be aware that the changes in these laws may increase the cost of operating your business. You are solely responsible for determining what local or state regulations, permits and licenses you will need to comply with and/or obtain to conduct the franchise business in a particular state, city, or town.

## ITEM 2
## BUSINESS EXPERIENCE

DIRECTOR, CEO: Eric E. Slaymaker.
Mr. Eric Slaymaker is a co-founder of Winger's and has served as a Director and President of Winger's Franchising since its inception in March 1997. Eric has also been a Director and Vice President of Slaymaker

Group since 1996, as well as President and Chief Executive Officer of WUI, positions he has held since July of 1993. He is also an owner and the managing member of Elko Wings, LLC, a Winger's franchisee located in Nevada. Eric also co-founded Monarch Broadcasting, Inc., and co-general partner of Rees-Slaymaker Broadcasting. Eric serves on the Board of Directors for the Utah Restaurant Association, the Utah/Idaho Arthritis Foundation, and the Juvenile Diabetes Research Foundation (JDRF) Utah Chapter.

DIRECTOR, VICE PRESIDENT: Scott R. Slaymaker.
Mr. Scott Slaymaker was elected a Director and Vice President of Winger's in March 1997. Since January 1996, Mr. Slaymaker has been the Chief Executive Officer of Slaymaker Group. Prior to becoming CEO, Mr. Slaymaker served as President of Slaymaker Restaurant Group. Scott has over 30 years of franchise restaurant experience, working with concepts such as T.G.I. Friday's, Tony Roma's, Chi-Chi's, and Sizzler Restaurants.

PRESIDENT & CHIEF FINANCIAL OFFICER: Sara Davis.
Ms. Davis has been the Finance Manager and Controller for Wingers Franchising, Inc. since 2005, and has been with The Slaymaker Group, Inc. since 1998. She became the President of WUI in 2022. Prior to working with The Slaymaker Group, Inc. she worked for a local CPA that supported several local food operations, as well as being involved in a family-owned restaurant business, and received her Masters in Accounting from the University of Utah.

CHIEF OPERATING OFFICER AND CULINARY DIRECTOR: Patrick Diessner.
Mr. Diessner has been the Chief Operating Officer and Culinary Director for Wingers Bros Management since 2022. Prior to that, Mr. Diessener was the culinary development manager for Wingers Bros Management starting October 2019. Prior to joining the Winger's team, he was Executive Chef for the Snowbird Ski and Summer Resort in Snowbird, Utah from May 2017 to October 2019. From April 2006 to May 2017 Mr. Diessner was a General Manager and Executive Chef for the University of Utah in Salt Lake City, Utah.

CHIEF PEOPLE OFFICER: Suzanne Bronzati.
Ms. Brozanti became Vice President of Human Resources in 2022. Prior to that, Ms. Bronzati had been the director of human resources and accounting for Wingers since January of 2015. Prior to joining the Wingers team, she worked with the Slaymaker Group located in Murray, Utah where she provided human resource services from April 1996 until December of 2014.

DIRECTOR OF MARKETING: Bruce Hansen.
Mr. Hansen is the marketing director for Wingers. Prior to joining the Winger's team, in September of 2003 he founded Atomic Design, Inc, which provides marketing and advertising services. In addition to serving as Winger's Marketing Director, Mr. Hansen continues to own and operate Atomic Design, Inc.

FRANCHISE OPERATIONS DIRECTOR: Richard Trujillo.
Mr. Trujillo is our Franchise Operations Director and assumed this position in April 2023. He joined the Winger's team in May 2020 as a general manager as well as an Area Manager. Prior to joining the Winger's team, he worked as a general manager for Tsunami, a sushi restaurant in Sandy, Utah from June 2019 to March 2020; and was the food & beverage manager for Park Meadows Country Club, a private golf club in Park City, Utah from December 2017 to March 2020.

CHIEF EXPERIENCE OFFICER: Steven Burchard.
Mr. Burchard joined the Winger's team in February 2019 as the Manager of Training and Systems and was promoted to Chief Experience Officer in 2022. Prior to his current position, he was part of the restaurant management for the Winger's restaurants in Salt Lake City, Utah from October 2015 to February 2019. Steve spent over 20 years working in management at TGIFriday's in both Utah and Idaho.

## 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

Initial Franchise Fee. On the signing of the franchise agreement, all franchisees pay an initial franchise fee of $40,000.

Deposit Agreement. In addition, you may sign a deposit agreement (Exhibit "G") to reserve your franchise for up to 30 days. The deposit fee is $15,000, which is applied to the initial franchise fee if you purchase a franchise. If you do not purchase a franchise $13,000 is refundable back to you. This option is available only after you have had this disclosure document for at least 14 calendar days or 10 business days as applicable.

Additional Trainees at Initial Training. There is no training fee for up to 4 attendees. We may, as determined in our sole discretion, allow extra attendees to attend initial training for an additional fee of $250 per day, per attendee.

Opening Assistance. We will provide you with 12 days of on-site pre-opening and opening assistance to you at no additional charge. However, you must reimburse us for the travel, food and lodging expenses of our representatives for this assistance.

Area Development Agreement. You may enter into either a 3-unit or a 5-unit development agreement. The initial development fee for a 3-unit agreement is $85,000 and the initial development fee for a 5-unit agreement is $130,000. The full initial development fee is payable upon execution hereof and includes the initial franchise fee for all units to be developed under the agreement. as each unit is developed, you must sign the then-current franchise agreement for that unit.

Uniformity and Refunds. The costs and fees in this Item 5 are uniform and are non-refundable for all franchisees as described above. However, in some instances we have negotiated different prices with individual franchisees.

## ITEM 6
## OTHER FEES

| TYPE OF FEE[1] | AMOUNT | DUE DATE | REMARKS |
|---|---|---|---|
| Royalty[1] | Currently 4% of gross sales | Payable weekly to be received by Wednesday of the following week (a sales week runs Monday –Sunday) | Gross sales include all revenue from the franchise business, but does not include sales tax, bona fide credits, or returns. |
| Creative Development Fund[1,2] | 1% of gross sales per week payable to us. This fee may be increased to up to 2% at discretion of franchisor with 90-day notice, or 2% - 4% by majority vote of our franchisees | Payable weekly to be received by Wednesday of the following week | Payable weekly in accordance with our electronic funds transfer or automatic withdrawal program. |

| TYPE OF FEE[1] | AMOUNT | DUE DATE | REMARKS |
|---|---|---|---|
| Successor Franchise Fee[1] | $3,000 | Prior to entering into a successor franchise agreement | A successor franchise agreement is available to you only if you meet each of the requirements described in the franchise agreement at the time of your timely election to enter into a successor agreement. |
| Relocation Fee[1,6] | $2,500 plus $250 per day per representative, plus travel, food and lodging expenses to visit your new premises | At the time we approve of the relocation | If you wish to relocate your business and we agree, you must pay us this fee to us in order to defray our costs in addition to our costs for 2 representatives to visit your new premises for up to 2 days. |
| Marketing Cooperative[1] | Up to 4% of gross sales as determined by the cooperative | Payable in accordance to the cooperative's governing documents | If we form a local advertising co-op in your area, any marketing expenditures you make through the co-op up is credited towards fulfilling your local marketing obligation. |
| Late Charges[1,4,6] | 10% of amount owed and $50 per instance, up to a maximum of $500 per fee per month | Payable with royalty or on demand | Charges begin to accrue after the due date of any required payment or report. Any of these fees may be changed from time to time in the manuals. |
| Interest on Late Fees and Reports[1,6] | 18% interest or maximum rate permitted by state law | Payable with royalty or on demand | Interest begins to accrue on the total amount (fee plus any late charge) after the due date of any required payment or report. |
| Fee for Changing Banks without Providing Prior Notice[1,6] | $50 | Payable on demand | If you change banks without informing us first or open a new or additional operating account. |
| Non-Sufficient Fund Fees[1,6] | $50 per bounced check or insufficient or disputed draft | Payable with royalty or on demand | If this fee is higher than what is allowed under state law, the fee will be reduced to the maximum allowed by state law (see state specific addendum). |
| Sales or Use Tax[1] | Sum equal to tax imposed | Upon demand | If there is hereafter assessed any nature of sales tax or use tax or other tax on fees or other sums previously or hereafter received by us under the franchise agreement then in addition to all fees and other payments to be made by you to us, you must also pay us or the taxing authority a sum equal to the amount of such tax. Any tax paid to us will be paid when due to the taxing authority. |
| Accounting Report Fee[1] | 1% Royalty increase | Upon notice | Payable if you fail to post the required accounting reports when due for two or more consecutive reporting periods. We may remove this amount after you have complied with our accounting procedures. |

| TYPE OF FEE[1] | AMOUNT | DUE DATE | REMARKS |
|---|---|---|---|
| Audit Charge[1] | Cost of audit | On billing | Payable only if an audit shows an understatement of 2% or more of gross sales for the period audited, or records are unorganized or unavailable. |
| System Non-Compliance Fines and Charges[1,4,6] | Amounts to be specified in our manuals, currently ranging between $50 and $1,500 | As incurred | See Note 4. |
| Technology Fee[1,6] | $370 per month | Payable with royalty or on demand | We have the right to charge this fee for use of our designated technology suite. We may increase this fee to account for new or additional technologies and increased costs. |
| Replacement Training[1,6] | $250 per person per day | In advance of training or assistance | Any new operating principals or managers must complete initial training within 60 days of hire. You must also cover the travel, food, and lodging for your attendees or our representatives, as applicable. |
| Additional Training[1,6] | $250 per person per day | Upon billing | After operating your franchise for 12 months, we may require you or your managers attend additional training at our headquarters or if you are in default. You must also cover the travel, food, and lodging for your attendees or our representatives, as applicable. |
| Rescheduling Fee[1,6] | Reimbursement of our costs, plus $500 | As incurred | If you cancel, postpone, or reschedule a training or opening assistance within 7 days of the scheduled date, or if you fail to complete certain requirements prior to training or opening assistance. |
| Insurance Reimbursement Fee[1,6] | Reimbursement of premium amount, plus 115% of the premium amount for our time | Upon demand | You are required to hold and maintain your own insurance, but if fail to do so, we have the right to obtain insurance on your behalf. |
| PCI and DSS Audit Reimbursement Fee[1] | Varies | Upon demand | You must reimburse us all costs related to an audit for your non-compliance with PCI and DSS requirements. |
| Annual Meeting/ Conference[1,6] | $500 per person | At time of signing up for the conference or meeting | Payable if we hold conferences or seminars for all franchisees in good standing. You will also be required to pay all travel, lodging, food and other expenses for each of your attendees. |
| Gift and Loyalty Card Programs[1,6] | Currently, no charge, but we have the right to charge monthly for these programs. | As incurred | These fees are for participation in our gift card and loyalty programs if implemented by us. |

| TYPE OF FEE[1] | AMOUNT | DUE DATE | REMARKS |
|---|---|---|---|
| Compliance Inspection Fee[1,6] | Our travel costs and fee for additional training | Upon billing after inspection | Payable if you fail any inspection and we determine a need to conduct a re-inspection for compliance. We can also require you to additional training and pay our then-current fee for additional training and you must also cover the travel, food, and lodging for your attendees or our representatives, as applicable. |
| Consumer Complaint Resolution Fee[1,6] | $50 per incident, plus our costs | When we receive customer complaint | Payable if you do not resolve a customer complaint and we are required to assist the customer. |
| Interim Management Fee[1,6] | 6% of gross sales per day | Time of service | Payable if we elect to operate your business during your unapproved closing, unapproved absence, noncompliance, incapacity or after you have been given notice of default and failed to cure.<br>You must also pay all travel, lodging, food and other expenses for our representative(s) and other expenses that may be incurred by us to perform such services, plus royalties, marketing fees, and other applicable fees. The interim management period will not last more than 6 months unless otherwise agreed between us. |
| Website/page maintenance[1,6] | $25 per month | Monthly paid in accordance with our electronic funds transfer or automatic withdrawal program. | We have the right to charge this fee if you want to operate an individual website or maintain a webpage, it must be designed by us or our designated designer with our approval for all content and it must be linked to our website. |
| Supplier Approval Fee[1,6] | $500 minimum fee plus actual expenses | The $500 fee is due before we evaluate or review, and the reimbursement for expenses is due upon demand | Payable if you want to have unapproved suppliers evaluated for our approval. |
| Replacement Costs[1,6] | Our costs, plus $50 per hour for our time | Upon demand | If you fail to replace equipment, furniture, tools, etc., that is outdated, damaged, obsolete, etc., and we determine to replace those items for you. |
| Additional Copies of Marketing Materials and Replacement of Manuals[1,6] | Our reasonable costs, plus 10%, and costs for shipping and handling | Time of delivery | We may develop and provide you samples of marketing and promotional materials. You will receive one copy of manuals and advertising and promotional materials at no cost to you, other than shipping and handling. |
| Fees on Default[1] | Our costs associated with your default | On demand, as incurred. | Paid in addition to other payments to us. |

| TYPE OF FEE[1] | AMOUNT | DUE DATE | REMARKS |
|---|---|---|---|
| Prepaid Services Reimbursement Fee[1,6] | Amount of unfulfilled deposits and prepaid services paid to you plus $50 per hour for our time | Upon demand | You must refund all customer gift cards upon termination. Payable if we are required or elect to make those refunds. |
| Early Termination Liquidated Damages | Average royalty from the previous 12 months multiplied by 24 months or the remaining term of the Franchise Agreement, whichever is less with an annual interest rate of 5% | Within 10 days of termination | Payable if your franchise agreement is terminated prior to the expiration of the term. This is only to compensate us for lost royalties and is not our only remedy. |
| Non-Compliance Post-Termination Fee[1,5,6] | $250 per day, plus costs | Upon demand | See Note 5. |
| Transfer Fee[1] | $5,000, plus legal fees | At time of approved transfer | Payable when you sell your franchise, substantially all of your assets, or a controlling interest in your franchise and prior to our signing any approval or new agreement. Transferees owning at least 20% of the franchise must personally guarantee the franchise agreement for us to approve the transfer. Subject to state law. |
| Minority Interest Transfer Fee[1] | Our legal fees and administrative costs related to the transfer | At time of approved transfer or on demand | This fee applies to transfers of up to 40% of your franchisee entity – cumulative during the term of the franchise agreement. Transferees owning at least 20% of the franchise must personally guarantee the franchise agreement for us to approve the transfer. Subject to state law. |
| Transfer Training Fee[1,6] | $250 per person per day, plus your travel, food and lodging expenses | At time of approved transfer | All owners and managers required to attend initial training under the franchise agreement must attend. |
| Indemnification[1,3] | Our damages and costs | As incurred or on demand | See Note 3. |
| Dispute Resolution Fees[1] | Our legal fees and costs if we prevail | As incurred or on demand | You are required to pay 1/2 of the mediation and/or arbitration fees. You will pay the whole fee plus our costs, including lawyers' fees, management preparation time, and travel expenses, if you withhold money from us, an affiliate, or our designee in connection with the dispute. The prevailing party will be entitled to reimbursement of its legal fees and expenses. |

| TYPE OF FEE[1] | AMOUNT | DUE DATE | REMARKS |
|---|---|---|---|
| Area Development Agreement Transfer Fees[1] | $5,000 for each undeveloped franchise | At the time of approved transfer | Payable when you sell your area development agreement and prior to our signing any approval or new agreement with the transferee. Transferees owning at least 20% of the franchise must personally guarantee the franchise agreement for us to approve the transfer. |
| Area Development Transfer Training Fee[1,6] | $250 per person per day, plus your travel, food and lodging expenses | At time of approved transfer | You or the transferee must pay this initial training fee to have us train the transferee. |

NOTES

[1] Royalty and Fees. Except as shown in the remarks column, all fees are uniformly imposed and payable to us. All fees payable to us or an affiliate are non-refundable. While royalties are the same and imposed on all franchisees, in the past we have made agreements for different royalty payments. In the event the state where your franchise business is located determines that we are unable to collect royalties on alcoholic beverages sold at your franchise business, we have the right to modify the royalty rate to recoup these losses.

[2] Advertising Fees. The national creative fund fee may be used by us for more national or regional marketing and brand development programs, as we choose. You must also spend 1.5% of your gross sales to advertise locally each month and we may increase this amount up to 2% in our sole discretion.

[3] Indemnification. You must indemnify us from damages and costs related to your acts, errors, or omissions in the operation of your franchise business or your franchise business generally, and including any allegation that you are our employee, or that we are a joint employer or otherwise responsible for the acts or omissions relating to your employees, and other laws regarding public accommodations for persons with disabilities. You are not required to indemnify us for liability caused by our willful misconduct, gross negligence, strict liability, or fraud.

[4] System Non-Compliance. If you do not correct the violation within the time required by us, we have the right to put you in default. All fines are to be paid in accordance with our electronic funds transfer or automatic withdrawal program.

[5] Post-Termination, De-Identification Non-Compliance Fee. In the event You fail to comply promptly with any your post termination de-identification obligations: (a) you must pay us $250 per day for each day that you are in default, as a reasonable estimate of the damages suffered by us; and (b) to prevent further injury, we may hire a third-party or use our own personnel to de-identify your unit and/or to carry out any other obligations on your behalf, for which costs you will be responsible (c) pay all damages costs and expenses, including attorney fees and costs incurred by us in obtaining relief. Upon sending notice of termination, we will automatically debit your account $10,000 in anticipation of the costs associated with enforcing your post-termination obligations. This post-termination fee obligation will not affect our right to obtain appropriate injunctive relief and other remedies to enforce the franchise agreement and your obligations. We also have the right to transfer from your account a payment of $10,000 in respect to anticipation of the post-termination, non-compliance fees and expenses and we will refund you any unused portion of the $10,000 amount remaining. If the amount does not satisfy your obligations to us, you will pay the balance owing within 30 days of our invoice to you.

[6] Fee Increase. If a fee is subject to increase by us (rather than a third party), the increase will not be more than the equivalent of 10% per year during the term of your franchise agreement to adjust to increased costs. This only applies to fees that are subject to change by us. If we do not designate that a fee is subject to change, the fee will remain the same during the term of the franchise agreement. Costs charged by third parties are subject to change any time and do not have an annual cap.

**ITEM 7**
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**
**(Single Unit)**

| TYPE OF EXPENDITURE | AMOUNT RANGE | METHOD OF PAYMENT | WHEN DUE | TO WHOM PAYMENT IS TO BE MADE |
|---|---|---|---|---|
| Initial franchise fee[1] | $40,000 | Lump sum | Upon signing the franchise agreement | Us |
| Travel, lodging, food and other expenses while training[2] | $10,000 - $20,000 per person trained | As incurred | Prior to and during training | Airlines, hotels and restaurants |
| Real estate improvements[3] | $50,000 - $1,095,000 | As incurred | As incurred | Suppliers and contractors |
| Premises Lease[4] | $0 - $24,000 | As incurred | As negotiated | Landlord |
| Equipment, furniture, fixtures, and smallware supplies[5] | $275,000 - $355,000 | As incurred or leased | Before opening | Suppliers |
| POS system, computer hardware, and software, security system[6] | $5,800 - $30,000 | As incurred | As negotiated | Suppliers |
| Signs[7] | $10,000 - $40,000 | As incurred | As negotiated | Suppliers |
| Misc. opening costs[8] | $10,000 - $35,000 | As incurred | As incurred | Suppliers, utilities, government departments, etc. |
| Opening inventory[9] | $8,000 - $20,000 | As incurred | Before opening – vendor terms | Vendors and suppliers |
| Advertising - 3 months[10] | $1,000 - $20,000 | As incurred | As incurred | Vendors and suppliers |
| Additional funds - 3 months[11] | $10,000 - $30,000 | As incurred | As incurred | Suppliers, accountants, employees, etc. |
| TOTAL[12] | $419,800 - $1,709,000 | | | |

NOTES. NO FEES ARE REFUNDABLE EXCEPT AS DESCRIBED IN ITEM 5, AND ALL MUST BE PAID IN A LUMP SUM AS INCURRED AND WILL NOT BE FINANCED UNLESS OTHERWISE STATED.

1 Initial Fees. The initial franchise fee is non-refundable, and we do not finance any portion of the fee.

2 Training. You are responsible to pay all travel, lodging, food, and other expenses for your attendees during training directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). We estimate you will have 4 people attend initial training. These costs will vary widely as a function of the distance traveled and the choice of accommodations, meals, and transportation.

3 Real Estate Improvements. This estimate includes the cost for construction to buildout your location according to our specifications. Costs of improvements vary widely based on location, terms of the lease, the total area of your space, as well as construction and material costs. The low end assumes you will receive a full build to suit deal with the landlord on the construction. Your landlord may provide you with a tenant improvement allowance as part of your lease, which has not been included as part of these estimates. You should review these costs with a local contractor, commercial real estate agent and other professionals. We provide standard design plans and specifications for construction and improvements. If you locate your center to a newly constructed space, the landlord may require significantly greater additional expenditures to cover leasehold improvements. You are not required to lease newly constructed space

4 Rent. This estimate is for one month of rent and does not include any possible security or other deposit. Your space will vary depending on your needs, but we estimate you will need approximately 3,300 - 5,500 square feet, and seat approximately 100 to 250 customers. We estimate your lease to be $20 to $52 per square foot per annum (based on current payments by our franchisees). The average rent per square foot for our current franchisees and affiliate-owned units is $24.64. Our estimates in this table assume you begin paying rent when (or shortly before) you open for business. For this to occur, you would need to negotiate a rent-free period for the time it takes to build out your business. You may be able to negotiate additional free rent or reduced rent periods after opening as well. We expect that you will rent your location. If you choose to purchase real estate instead of renting, your costs will be significantly different. We have not included an estimate for the cost to purchase and build a location in the table above, but we estimate the cost to purchase real estate to range between $20 and $125 per square foot, depending on your market.

5 Equipment, Furniture, Fixtures, and Smallware Supplies. This estimate includes the cost to purchase or lease of all furniture, fixtures and equipment required to open and operate your franchise business. Included in this estimate are the cost of kitchen equipment, utility sinks, stainless steel counters and shelving, walk-in and stand-alone coolers, utility shelving, audio-visual equipment, millwork, chairs, tables, interior design, POS hardware and software system, interior signage, equipment consolidation fees, management fees, optional equipment installation fees, office supplies, and small wares. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us, we require immediate payment.

6 POS System, Computer Hardware, and Software. You will be required to purchase or lease a 3 terminal POS system, and an office computer, software, and certain equipment, along with the purchase and install of a security system.

7 Signs. Two exterior signs are required. At least 1 exterior sign displaying the trademark and 1 interior sign are required. These signs may be made locally. All signs must conform to our specifications. All purchase agreements or leases must be negotiated with your suppliers. You must use the location's monument sign if available. We provide the digital artwork for signage, but You must use a third party to produce the signs.

8 Miscellaneous Costs. These miscellaneous costs include legal fees, accounting fees, lease negotiation fees, utility set up fees, business entity organization expenses, employee training, deposits, permits and licensing, insurance and licenses. The cost of rates for professionals can vary significantly based on locale, area of expertise, and experience.

9 Opening Inventory. Opening inventory includes food; beverages; alcoholic beverages; soft goods such as napkins, boxes, sacks, cups, and other paper goods; uniforms; and other items required to operate your franchise business. The costs will vary depending upon your inventory levels. This is only an initial supply and will require replenishment on a regular on-going basis based on the volume of sales for your franchise business.

10 Advertising. This estimates the cost of advertising for the first 3 months of operations. You are required to advertise. However, if you institute a marketing program or create any marketing materials, all marketing materials must be approved by us in writing.

11 Additional Funds. This estimates your operating expenses during your first 3 months of operations, not including cash flows. You must maintain adequate working capital reserves sufficient to keep your business in operation for at least 3 months, not including cash flows. You must maintain a minimum of $10,000 in your operating account or have a $10,000 line of credit at all times for business emergencies; except that if you do not have the required line of credit, then in any 30-day period, the operating account may have less than such amount for a period of up to 5 days. You are required to provide us with view-only access to your operating account, and you cannot have more than one operating account. You are required to provide us with view only access to your operating account upon our request, and you cannot have more than one operating account. We have relied upon the experience of our principals and franchisees to compile these estimates. Employee compensation is between you and your employees and may vary widely. We have relied on the experience of our principals and franchisees to compile these estimates.

12 Total. These figures are estimates for the development of 1 franchise unit and we cannot guarantee that you will not have additional expenses starting your franchise business. Unless otherwise stated above, all fees and payments payable to us or an affiliate are non-refundable. Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. You should verify with third-party payees whether such payments, deposits, or fees are refundable or not.

**YOUR ESTIMATED INITIAL INVESTMENT**
**(3-Unit Area Development Agreement)**

| TYPE OF EXPENDITURE | AMOUNT RANGE | METHOD OF PAYMENT | WHEN DUE | TO WHOM PAYMENT IS TO BE MADE |
|---|---|---|---|---|
| Initial area development fee[1a] | $85,000 | Lump sum | Upon signing the franchise agreement | Us |
| Estimated initial investment to open three units[2] | $1,151,400 - $5,007,000 | Estimated based on the single unit estimates (minus the initial franchise fee) in the above Item 7 chart for a single unit, multiplied by 3. | | |
| TOTAL[3] | $1,236,400 - $5,092,000 | | | |

**YOUR ESTIMATED INITIAL INVESTMENT**
**(5-Unit Area Development Agreement)**

| TYPE OF EXPENDITURE | AMOUNT RANGE | METHOD OF PAYMENT | WHEN DUE | TO WHOM PAYMENT IS TO BE MADE |
|---|---|---|---|---|
| Initial area development fee[1b] | $130,000 | Lump sum | Upon signing the franchise agreement | Us |
| Estimated initial investment to open three units[2] | $1,899,000 - $8,345,000 | Estimated based on the single unit estimates (minus the initial franchise fee) in the above Item 7 chart for a single unit, multiplied by 5. | | |
| TOTAL[3] | $2,029,000 - $8,475,000 | | | |

NOTES. NO FEES ARE REFUNDABLE EXCEPT AS DESCRIBED IN ITEM 5, AND ALL MUST BE PAID IN A LUMP SUM AS INCURRED AND WILL NOT BE FINANCED UNLESS OTHERWISE STATED.

[1a] Initial Area Development Fee. This number is based on a 3-unit development agreement.

[1a] Initial Area Development Fee. This number is based on a 5-unit development agreement.

The area development fee is non-refundable, and we do not finance any portion of the fee. When you sign an Area Development Agreement, you must also sign the franchise agreement for your first unit to be developed under the Area Development Agreement.

[2] Estimated Initial Investment. Except for the initial area development fee, all fees in the above Area Development charts are based on the single unit estimates, multiplied by three and five respectively. If you develop more than three units or five units, the fee will be higher.

[3] Total. These figures are estimates for the development of three franchise units and five units respectively and we cannot guarantee that you will not have additional expenses starting your development business. You should review these figures in Item 7 carefully with a business advisor before making any decision to enter into an area development with us. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us or an affiliate, we require immediate payment. We do not offer direct or indirect financing for any item. All fees and payments payable to us or an affiliate are non-refundable. You should verify

with any third-party payee whether such payments, deposits, or fees are refundable or not. We anticipate you will develop your units over time according to the development schedule rather than all at once.

## ITEM 8
## RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers, Proprietary Products and Required Purchases. You must operate your franchise business according to our system, including purchasing or leasing certain items or services according to our specifications and/or from approved suppliers, which could be us or our affiliates. You may not deviate from these methods, standards, and specifications without our prior written consent.

At this time, no products or services are purchased or leased from us or our affiliate. However, this may change in the future. You must purchase or lease the following products and services from sources designated or approved by us, or according to our specifications as set forth in the manuals:

| Item or Service | Is the franchisor or an affiliate an approved supplier of this item? | Is the franchisor or an affiliate the only approved supplier of this item? |
|---|---|---|
| Winger's Original Amazing Sauce™ | No | No |
| Winger's Original Amazing Creamy Sauce™ | No | No |
| Interior décor package | No | No |
| Winger's Bros.™ craft beer brands Uniforms | No | No |
| Point of Sale (POS) / Computer System & Software | No | No |
| Certain Food & Beverage Items | No | No |
| Proprietary Sauces, Jams & Flavorings | No | No |
| Signs | No | No |
| Equipment | No | No |
| Logoed Products | No | No |

Insurance. You must at all times during the entire terms of the franchise agreement and at your own expense keep in full force, by advance payment(s), the following minimum insurance policies, obtained from a company rated "A" or better by A.M. Best & Company, Inc., which minimums may be adjusted from time to time in our sole discretion:

| Type of Insurance | Minimum Required Amount(s) |
|---|---|
| Commercial general liability insurance | $1,000,000 per occurrence and $3,000,000 in the aggregate, whichever is greater |
| Property insurance | 100% of the full replacement cost against loss or damage from fire and other risks normally insured against in extended risk coverage |
| Commercial automobile insurance | At least $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage) |
| Business interruption insurance | To recover lost income in the event Your Franchise Business is unable to operate for a period of time covering at least 75% of Your annual revenue or the actual loss sustained, whichever is greater |
| "Crime policy" | $100,000 (written on a loss discovered basis) |
| "Abuse and molestation" coverage | $1,000,000 per occurrence and $2,000,000 in the aggregate |
| Liquor legal liability or "Dram Shop" Insurance | $2,000,000 per occurrence |
| Data breach & cyber security breach insurance | $1,000,000 per occurrence and $2,000,000 aggregate |
| Umbrella insurance | $1,000,000 |
| Government required insurances | All worker's compensation and employment insurance on your employees as required under all federal and state laws. |

These policies (excluding worker's compensation) will insure you, us, and our officers, directors, and nominees as additional insureds against any liability that may accrue by reason of your ownership, maintenance or operation of the franchise business. These policies will stipulate that we will receive a 30-day written notice prior to cancellation or termination, and we must receive a 30-day notice of any modification. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to us must be furnished to us together with proof of payment prior to you beginning operations. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate. If your premises are damaged and covered by insurance, you have as soon as possible and not more than 160 days to use the proceeds to restore the facility to its original condition unless we consent otherwise in writing.

If you fail to obtain or maintain insurance we may obtain this insurance for you at our discretion, and you will pay us the premium costs, plus an administration fee equal to 115% of the premium amount for our time. We may periodically modify or adjust the amounts of coverage required and/or require different or additional coverage. We may periodically increase the amounts of coverage required and/or require different or additional coverage. We do not derive revenue from your purchase of insurance. We recommend you consult with your insurance agent prior to signing the franchise agreement. We have the right to require that you obtain from your insurance company, and subsequently provide to us for our review, a report of claims made and reserves set against your insurance (commonly known as "loss runs").

Approved Suppliers. We may enter into contracts with suppliers for items or services purchased by our franchisees. Pursuant to these contracts, you will be required to purchase items or services from approved suppliers. All currently approved suppliers and specifications are made available to you before the beginning of operations. You must receive our prior written approval to deviate in any manner from our specifications.

None of our officers have an ownership interest in any of our suppliers.

Proportion of Required Purchases and Leases. We estimate that the proportion of required purchases or leases will represent approximately 50% to 75% of your overall purchases in opening your franchise business and 60% to 80% of your overall purchases in operating your franchise business.

Revenue to Us and Our Affiliates from Required Purchases. We or our affiliates may derive income from required purchases or leases of goods or services made by our franchisees from approved sources. In the year ending December 31, 2024, our revenues from the sale of these products and services to franchisees was $171,057 or 0.44% of our total revenues of $39,070,750.

Non-Approved Suppliers. Except for certain trademark and private label items and designated source items described above, if you desire to use a particular supplier, or if you would like us to consider alternative goods, and if that supplier or good meets the specifications and requirements of our system, then the supplier may become an approved supplier or for that good to become an approved good in our system.

You may establish suppliers on the approved list by making an appropriate application to us. The following general criteria is used in considering whether a supplier will be designated as an approved source (or if an alternative good will be approved): the ability of the supplier to make the product to our standards and specifications; a willingness by the supplier to cooperate and work with you and other franchisees; the supplier's production and delivery capabilities, and the financial condition of the supplier; the ability and willingness of the supplier to train you and us on the effective and safe use of the product and the supplier's professional competence and performance abilities. We will use our best judgment in setting and modifying specifications to maintain quality and integrity of the franchise system.

If you desire to purchase any of the items listed in this Item 8 from an unapproved supplier or to purchase an alternative good, you must submit to us a written request for this approval or request the supplier itself to do so. We may require you to submit sufficient information and data to permit us to ascertain whether a supplier or good meets our specifications. Prior to commencing the evaluation, you must pay us a minimum fee of $500, plus reimburse all additional expenses incurred by us in connection with the evaluation. The evaluation fee

and other costs are not refundable regardless of whether or not we approve of a supplier. We will notify you in writing, within 30 days after completing our evaluation as to whether the supplier or good has been approved or disapproved. We may make changes or alterations in the standards and specifications for approving suppliers and alternative goods. At our discretion, we may revoke our approval from an approved supplier or good upon 30 days' written notice to you.

Standards and Specifications. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our manuals and/or issuing new written directives (which may be communicated to you by any method we choose).

Negotiated Arrangements. We currently negotiate purchase arrangements with suppliers, including price, terms for the benefit of franchisees. We have developed a national real estate demographic site selection program using a prominent National third-party site selection real estate master broker. At this time, new franchisees are required to enter an agreement directly with our required master broker. New franchisees will work with us and/or our required master broker to identify locations that fit our model for successful locations. We will provide you with contact information upon request. There are no other purchasing or distribution cooperatives.

Benefits Provided to You for Purchases. We do not provide material benefits to franchisees based on the franchisee's purchase of particular products or services or use of particular suppliers.

## ITEM 9
## FRANCHISEE'S OBLIGATIONS

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

| | Obligation | Section in Agreement | Disclosure Document Item |
|---|---|---|---|
| a. | Site selection and acquisition/lease | Sections 4.1 and 4.2 | Item 11 |
| b. | Pre-opening purchases/leases | Section 4.2 and paragraphs 6.1.3, 6.1.12 and 6.1.14 | Item 8 |
| c. | Site development and other pre-opening requirements | Sections 4.1 and 4.3 | Items 7 and 11 |
| d. | Initial and ongoing training | Paragraph 6.1.4 and sections 7.2 and 7.4 | Item 11 |
| e. | Opening | Sections 4.4 and 7.3.1 | Item 11 |
| f. | Fees | Article V of the franchise agreement and Article 4 and 11 of the area development agreement | Items 5, 6 and 7 |
| g. | Compliance with standards and policies/operating manual | Section 6.2 and Article IX | Items 8 and 11 |
| h. | Trademarks and proprietary information | Article III of the franchise and Article 8 of the area development agreement | Items 13 and 14 |
| i. | Restrictions on products/services offered | Article VIII | Item 8 and 16 |
| j. | Warranty and customer service requirements | Paragraphs 6.1.2 and section 8.5 | Item 11 |
| k. | Territorial development and sales quotas | Not Applicable in franchise agreement, Article 3 and Exhibit B of the area development agreement | Item 12 |
| l. | Ongoing product/service purchases | Article VIII | Item 8 |

| | Obligation | Section in Agreement | Disclosure Document Item |
|---|---|---|---|
| m. | Maintenance, appearance and remodeling requirements | Paragraphs 6.1.2 and 6.1.10 | Item 11 |
| n. | Insurance | Paragraph 6.1.12 | Item 8 |
| o. | Advertising | Section 5.3 and Article X | Items 6, 7 and 11 |
| p. | Indemnification | Section 15.2 of the franchise agreement and Section 6.5 of the area development agreement | Item 6 |
| q. | Owner's participation/ management/staffing | Paragraphs 6.1.7, 6.1.8, 6.1.10, and 6.2.3 | Items 11 and 15 |
| r. | Records and reports | Section 5.5, 5.6, and paragraphs 6.1.14(ii) and 6.1.16 of the franchise agreement and Section 6.4 of the area development agreement | Items 11 |
| s. | Inspections and audits | Paragraphs 5.6.2 and 6.2.2(iv) | Items 6 and 11 |
| t. | Transfer | Article XIV of the franchise agreement and Article 11 of the area agreement | Item 17 |
| u. | Renewal | Section 2.2 of the franchise agreement and Section 3.4 of the area development agreement | Item 17 |
| v. | Post-termination obligations | Section 12.1 of the franchise agreement and Article 10 of the area development agreement | Item 17 |
| w. | Non-competition covenants | Article XVI and Article 11 of the area development agreement | Items 14, 15 and 17 |
| x. | Dispute resolution | Article XVII | Item 17 |
| y. | Compliance with government regulations | Sections 4.1 and 4.3 and paragraph 6.1.1, 6.1.11, and 16.1 | Item 12 |
| z. | Guarantee of franchisee obligations | Paragraph 6.3.1 | Item 15 |

## 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.**

Pre-Opening Assistance

Before you open your franchise business, we will:

1) Designate your search area [franchise agreement paragraph 1.1].

2) Provide a set of prototype plans for the construction of a typical franchise business. These plans are for informational purposes only and are not to be relied upon by you in the construction of your franchise business. You will be required to develop your own working drawings adapt the plans, at your own expense, to your site in accordance with local, state and federal laws, rules and ordinances, for the construction of tenant improvements to your franchise businesses and we must review and approve these plans prior to the commencement of construction. You are responsible for obtaining any required permits and to ensure compliance with local, state, and federal laws, rules and ordinances [franchise agreement section 4.3].

3) Approve your site. We do not assist in locating a site. Finding a suitable location that conforms to local ordinances, building codes, and our guidelines is your responsibility. We must review and approve your proposed site before a lease is signed or you begin the remodel or construction. Our approval is based upon the following general criteria: access, appearance, visibility, traffic, general daytime and nighttime population of the area, number and types of businesses in the territory, parking, square feet, access, and general vicinity. And, in addition to the general territorial criteria discussed in Item 12, such factors as square footage, rent and other lease terms, accessibility, profile of neighboring businesses and the ability to build out the site in accordance with the brand image are factors considered in determining whether the site is acceptable. We will provide you with general guidance regarding our standards for selecting a site, but we do not prepare demographic studies or otherwise determine a need for these services or products within your territory, evaluate or guarantee the potential success of your proposed site. If you and we disagree about the proposed location, you must locate another acceptable site for your restaurant and repeat the process. Site approval should be completed by us within 8 weeks or less after you have submitted a proposed site for our review [franchise agreement section 4.1]. We do not own properties that we lease to you and we do not assist you in negotiating the purchase or lease of your site [franchise agreement section 4.1]. If you enter into an area development agreement, we must approve of the site for each of your units. Our approval or disapproval of a proposed site will be based on our then-current standards for approving sites.

4) Provide you with the names of approved suppliers [franchise agreement paragraph 7.1.1].

5) Make available general written specifications for necessary equipment, signs, fixtures, opening inventory, supplies and other items listed in Item 8. Unless we are an approved supplier of an item and you purchase the item directly from us, we do not provide these items to you directly, but we do provide you with the names of the approved suppliers for these items [franchise agreement sections 4.3, 7.1 and 8.2].

6) Loan you a copy or provide electronic access to our confidential manuals containing mandatory policies, operating procedures, and other information. The manuals are confidential and will remain our property and may be used by you only in association with your Wingers Alehouse™ franchise business and only during the term of the franchise agreement. You must keep the contents of all manuals confidential. The master copy of the manuals maintained by us will control in the event of a dispute relative to the contents of the manuals. You may not copy any part of the manuals, either physically or electronically. The table of contents of the operations manual is included as Exhibit “D” to this disclosure document. Our operations manual is approximately 290 pages [franchise agreement article IX].

7) Provide an initial training program for your operating principal and your managers, described at the end of this Item 11 [franchise agreement section 6.1.4].

8) We also provide you with 12 days of on-site pre-opening and opening assistance. During these 12 days, our representative will be at your franchise and assist you with the various aspects of your grand opening and operations. You must have obtained all necessary permits, and all your equipment must be functioning for us to provide this assistance. There is no fee for this training, but you must cover the representative’s travel, food, and lodging [franchise agreement paragraph 7.3.1].

9) Lease, Construction and Commencing Operations. You will have 6 months to have a franchise business site approved by us and a lease signed and in place from the day we approve your site. You are required to contract with and use our designated master real estate broker or another real estate broker we designate in your site selection. There is no fee payable by you for this service. You are not allowed to engage in discussions with landlords and agents to lease space for a Winger’s® franchise until you have signed a franchise agreement with us. You are required to have the landlord consent to an assignment of the lease before the lease agreement is signed. You must hire and use our designated local broker in your site selection [franchise agreement section 4.2 and paragraph 4.1.1].

Construction must be started within 2 months from signing the lease and be completed within 12 months from the date of the franchise agreement [franchise agreement section 4.3]. You are required to begin operations within 45 days after construction is complete and no later than 12 months from the date of your

lease. You must supply us with a valid certificate of occupancy before you begin operating [franchise agreement section 4.4 and paragraph 6.1.5].

Estimated Length of Time Before Operation. It is estimated that the length of time between the signing of the franchise agreement with the accompanying payment of the initial franchise fee and the opening of your franchise business is 6 to 18 months. Factors affecting this length of time usually include obtaining a satisfactory site, construction, local ordinance compliance and delivery and installation of furniture, fixtures, equipment, signs, supplies, and opening inventory items.

If you can show a good faith effort to meet these deadlines, we may agree to extend a specific deadline at our discretion. Failure to meet these deadlines for any reason, including our disapproval of a proposed site location, may result in a termination of the franchise agreement without a refund [franchise agreement section 4.6].

Assistance During Operation

During the operation of your franchise business, we will:

1) Hold conferences to discuss improvements, new developments, mutual concerns and business issues. Attendance is mandatory, but this policy may change at some time in the future. At present there is a conference fee of at least $500, but which may be higher depending on the venue location, and you must pay all your travel, lodging, food, and other expenses. These conferences will be held at various locations chosen by us [franchise agreement paragraph 6.1.15].

2) Provide you with updates to the manuals, which updates may be in the form of emails, newsletters, announcements, technical bulletins, or other written directives through means determined by us. We have the right to modify the manuals to reflect changes in the system including the development of or change in products and services [franchise agreement 9.1]. The modifications may obligate you to invest additional capital in your franchise business and to incur higher operating costs. You must incorporate all such modifications within the time periods that we specify [franchise agreement paragraph 6.2.2(iii)].

3) At your reasonable request or at our discretion, provide assistance either remotely or in person. For additional in-person training, you may be charged a fee and be required to cover all travel, lodging, food and other expenses of your attendees or our representatives [franchise agreement section 7.2].

During the operation of your franchise business, we may, at our discretion:

4) Maintain a website for the Winger's® brand that will include your business information and telephone number for your location [franchise agreement section 7.5].

5) Provide continuing assistance in the operation of the franchise business as we deem advisable [franchise agreement sections 7.2 and 7.4].

6) Make periodic inspections of your franchise business, which may be done in person or through remote access such as video or live video conferencing and may be performed through a third-party provider. Inspections may be conducted without prior notice to you. Upon our request, at all reasonable times, you will provide us with video and/or digital images of the interior and exterior of your franchise business as set forth in our manuals [franchise agreement paragraph 6.2.2(iv)].

7) Conduct additional seminars which may be through online webinars, live video conferencing or other electronic media, phone conferences, or in person, to discuss improvements, new developments, mutual concerns and business issues, sales, customer service, bookkeeping, accounting, inventory control, and performance standards. We may charge a seminar fee and you may be required to pay all your travel, lodging, food, and other expenses. In-person seminars are normally held at our headquarters or as available at regional facilities [franchise agreement paragraph 6.1.15].

8) Replace defective products purchased directly from us based on our standard limited warranty. For items purchased through third parties or an affiliate, you must work directly with the supplier or manufacturer of those items regarding warranties, defective products, training, and support. [franchise agreement section 8.5].

9) At your expense, require you to repair, refinish, repaint, remodel, modernize, redecorate, or otherwise refurbish your premises from time to time as we may reasonably direct, but not more often than every five years and we will not obligate you to invest additional capital at a time when the investment cannot in our reasonable judgment be amortized during the remaining term of the franchise agreement (except for required changes to the trademarks, or changes due to health or government mandates, guidelines, or public concerns which we may require at any time). You must implement all changes within the time frames required by us [franchise agreement section 6.1.10].

10) Refine and develop products or services that you will offer to your customers [franchise agreement paragraph 6.2.2(iii)].

11) To the degree permitted by law, we may suggest retail price, specify maximum and minimum pricing above and below which you cannot sell any goods or services. You must honor all coupons, price reductions and other programs established by us [franchise agreement paragraph 6.1.13].

Employment Matters. We do not assist you with the hiring, firing, discipline, scheduling, management, compensation, supervision, assignment of duties, work rules, or working conditions of your employees. That is your responsibility. We may provide you with a sample employee guide or manual, but if we do, it will only be an example of certain employment matters that you may adopt or not. It is your responsibility to comply with state and federal employment laws [franchise agreement paragraph 6.1.11].

Advertising and Promotion. You are required to participate in all marketing programs as directed by us and to use all materials, mediums, and other information made available to you in doing so. We may provide you with samples of marketing materials developed by us and provide new marketing techniques as developed [franchise agreement section 10.4].

You may develop marketing materials for your use, at your cost, but all marketing materials, including print and electronic media, must be approved by us in advance in accordance with our written instruction in the manuals. Any marketing materials or concepts you create becomes our property and will be considered a “work-made-for-hire” that can be used by us and other franchisees without compensation to you. If you do not receive written approval or disapproval within 30 days of the date we received your submission of marketing materials, the materials submitted are deemed unapproved. We can revoke our approval of any marketing materials at any time in our sole discretion [franchise agreement sections 3.11 and 10.4 to 10.6].

Advertising Fund. Although, under the terms of the franchise agreement we are not obligated to conduct advertising for the franchise system, or to spend any amount on advertising in your territory, we have the right to and currently do maintain and administer a national advertising, marketing and development fund (referred to as the “creative development fund” in the franchise agreement) for local, regional or national marketing or public relations program as we, in our sole discretion, may deem necessary or appropriate to advertise and promote the franchise system. We may utilize the creative development fund to develop and test various media and technologies for potential utilization and/or improvement of the system and marketing of the system [franchise agreement section 10.1].

You must contribute 1% of your gross sales to the creative development fund. This fee may be increased by us to up to 2% of gross sales upon 90 days’ notice to you, and up to 4% upon the affirmative vote of a majority of the franchises based upon the number of franchise units owned by each franchisee. Our company owned locations may contribute to the creative development fund, contributions to the creative development fund may not be uniform [franchise agreement section 10.1].

We are responsible for administering the creative development fund but we are not a fiduciary or trustee creative development fund. We will direct all uses of the fund, with sole discretion over: (1) the creative

concepts, materials, endorsements and media used (that may include television, Internet, social media, radio, print, and other media and marketing formats as developed over time, as funds permit); (2) the source of the advertising or public relation efforts (that may be in-house or through an outside agency located locally, regionally or nationally); (3) the placement and allocation of these programs (that may be local or regional); and (4) the composition of all geographic territories and market areas for the development and implementation of these programs [franchise agreement paragraph 10.1.1].

We may use the creative development fund to offset a portion of direct costs to manage and maintain the fund, including the payment of staff salaries and other expenses for those employees who may be involved in the creative development fund, commissions, market research, marketing development and creation, production costs, costs for developing and monitoring a home page on the Internet or an Internet-like service, and other costs relating to the development fund. We are not required to spend any amount on marketing directly in the area or territory where you are located. We make no representations that the creative development fund will benefit you or any other franchisee directly, on a pro-rata basis, proportionally, or at all [franchise agreement paragraph 10.1.2]. Funds may be used to solicit additional franchisees.

Advertising Expenditures in the Last Fiscal Year. Any unused creative development funds in any calendar year will be applied to the following years' fund. The creative development fund is unaudited. Once each calendar year, you may send us a written request to receive an unaudited annual report of marketing expenditures from the previous fiscal year but such written request cannot be made until after 90 days of our fiscal year end. During the 2024 fiscal year the creative development funds were used in the following ways: 26% on brand development, 4% on printing and menus, 7% on media production, 6% on graphic design and production, 19% on digital marketing, 11% on administration, 7% on miscellaneous uses (supplies and fees), and 20% to solicit new franchise sales. At our sole discretion, some funds may be allowed back to franchisees for approved advertising [franchise agreement paragraph 10.1.2].

Advertising & Marketing Cooperative. You are required to participate in a local or regional advertising cooperative when established by us. The area of any cooperative marketing association will be based on regions determined by us. Your marketing area is defined as a market with multiple Wingers Alehouse™ locations, as determined by us. Upon the formation of an advertising cooperative, you will be deemed to be a member of that association as covers the area in which your franchise is located, and you will be bound by any decisions made by the association upon a majority vote by voting members. You and other franchisees in the cooperative will be responsible for the administration of the association. Governing documents will be provided by us or by the cooperative and approved by us. At this time these governing documents are not available. Voting will be on the basis of one vote per franchise or company-owned location in good standing. You and other franchisees within the cooperative will be required to make contributions pro rata based on the number of units in the cooperative. The timing and amount of this contribution may vary according to the vote and rules of the advertising cooperative. The timing and amount of this contribution may vary according to the vote and rules of the cooperative. Currently there are no advertising cooperatives. Upon establishment, you will pay the cooperative up to 1.5% of gross sales, unless a majority of members in your advertising cooperative vote to increase the contribution percentage. Company-owned locations in the cooperative area will contribute on the same basis as the franchisees. We, at our discretion, may become a member of the association. The cooperative will be required to prepare annual account statements on the use of funds, and these will be available for review by all franchisees in the cooperative, and us. We have the power to require cooperatives to be formed, changed, dissolved or merged at any time. You are not required to join or contribute to more than one advertising cooperative for any single franchise business unit/territory [franchise agreement section 10.2].

We currently have two advertising cooperatives, Boise Wingers Advertising Co-op, idahowingers@gmail.com, and Utah Wingers Advertising Co-op, support@wingerbros.com.

At this time, you are not required to participate in any other marketing funds. No franchisee advertising council is anticipated at this time.

Internet and Social Media. You may not create a website or social media site or engage in marketing on the Internet, including posting for re-sell, items on third party re-sell or auction style websites such as, eBay,

Craigslist or Amazon, without our prior written permission. If you receive permission for your own website or social marketing site from us, all content placed on the site must be pre-approved by us in writing, and you are required to provide us administrative access, account information and any other information related to any of your websites and social media. All social media you develop or use must be attached only to the email address approved by us for use in association with your franchise business. Additionally, any website or social media you are allowed to create must be ADA compliant. However, you may be allowed to place pre-approved information concerning your franchise business on our website or a subdomain and social media, as developed by us. Additionally, you agree to comply with any social media programs we may institute. You may not claim any web listing on sites such as Yelp. You must strictly comply with the policies and procedures established by us regarding websites, social media, and Internet marketing [franchise agreement section 10.7].

Computer / Point of Sale System. We require the use of a point-of-sale system (POS) designated by us to be purchased or leased from a designated supplier. The POS system will provide:

- Reporting of sales
- Payment registry
- Tracking of costs and costs of goods sold
- Credit card payment
- Inventory management
- Calendaring
- Gift and loyalty card tracking
- Coupon tracking

At this time, we use and require you to use at least a 3-terminal POS, but this may change at any time and the cost to change the system is incurred by you alone. You must also have an office computer. The POS and the computer systems must meet our specifications. The estimated cost for the purchase of the point-of-sale system is $12,000 - $25,000, depending on the number of terminals and options selected by the franchisee. We will have independent access to all information and data collected or generated by the computer system and the POS system. We can require you to obtain a static IP address from your internet provider. There are no contractual limits on our rights to do so. You must keep these systems available for our access 24 hours a day, 7 days a week. All data collected or provided by you, downloaded from your POS system, or otherwise collected from you by us or provided to us, is and will be owned exclusively by us, and we have the right to use the data in any manner without compensation to you. You must at all times maintain and frequently check a valid email address, known and available to us, to facilitate our communication with you. We may require updates and upgrades to your computer hardware, software and POS system at your expense during the term of the franchise agreement. There are no contractual limits on our right to do so. We are not required to maintain, repair, update and/or upgrade your POS or computer system. There are no contractual limitations to the frequency and cost of the obligation to upgrade and maintain the computer or POS system [franchise agreement paragraph 6.1.14]. For defective equipment, products, software or other items purchased by you, you must deal directly with that manufacturer [franchise agreement paragraph 8.5].

Accounting. You must use the designated accounting software and we can require that we have independent view-only access to your account. We also reserve the right to require you to follow our accounting procedures and line items, including standardized profit and loss statement templates, balance sheet templates, and charts of account as we may designate. Generally, this service is updated annually for a cost of approximately $2,700 and there is currently an online fee of $675 per quarter [franchise agreement paragraph 6.1.14(ii)].

Security System. You are required to use a security system to protect your franchise business. We do not designate a specific type of security system or a specific brand you must use, but you must have both inside and outside cameras. The security system must be of sufficient capabilities to adequately protect your franchise business, your premises and your inventory and it must provide storage capabilities as required in our manuals you will not be required to provide us with independent access to the security system. You may not install any cameras in places where employees and customers have a reasonable expectation of privacy, e.g., bathrooms, changing rooms, etc. By installing the system, you and your employees are waiving their right to privacy with respect to the use of the security system in non-private areas of the business. You are required to provide us with notice of its installation. We estimate the cost of such system to be between $800 and $5,000 for initial installation, and depending on the number of cameras, an ongoing cost of approximately $50 to $175 per month [franchise agreement paragraph 6.1.14(iv)].

Loyalty Programs. You are required to participate in the loyalty, gift card, discount, memberships, subscription,

and coupon programs as we develop. You are not allowed to implement any sort of loyalty, coupon, membership, gift card or subscription model without our prior written permission [franchise agreement paragraph 6.2.2(ii)].

Online Ordering and Delivery. You must participate in any online ordering program for takeout or delivery program we create or adopt and cover the applicable fees for such program. You will not participate in any third party delivery platform unless approved by us [franchise agreement paragraph 6.2.2(v)].

Area Development Agreement. Your rights under the area development agreement are territorial only and do not give or imply a right to use our trademarks or system. Our only obligation is to provide an area where you must develop Wingers Alehouse™ franchise businesses provided in the area development agreement [area development agreement article 2; franchise agreement section 1.1].

Initial Training. We provide an initial training program. Your operating principal and your managers are required to attend and successfully complete a training program, which is held in Salt Lake City, Utah or at another location as determined by us. The length of the training depends on the prior experience of your attendees but should last approximately 12 weeks. The training program is held on an as-needed basis with each new franchise agreement [franchise agreement 6.1.4].

Your "operating principal" is: a) if the franchisee is an individual, that individual; or b) if the franchisee is an entity, an individual that owns at least 20% of the ownership and voting interests in the franchisee entity (unless you obtain our written approval of a lower percentage), has authority over all business decisions related to the franchise business, and has the power to bind the franchise business in all dealings with us. The operating principal must be involved with the business as described in Item 15 [franchise agreement article XXI].

Successful completion of training must be completed at least 6 weeks before you may open your franchise business. Successful completion will be determined by our trainers and the following measures may be used to help determine successful completion: knowledge of basic policies and procedures, preparation of food, portion control, minor equipment assembly, equipment maintenance, sanitization, daily operations, record keeping, and basic accounting techniques. We offer this training without charge to you for up to 4 people. We may allow, in our sole discretion, additional attendees attend the same initial training for a fee of $250 per additional attendee per day. You are also responsible to pay all travel, food, living, and other expenses for each attendee during training directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). The estimated cost of attending training is between $10,000 to $20,000 per person trained.

Below is a table listing the subjects taught and the amount of classroom and onsite training provided as part of the initial training.

**TRAINING PROGRAM**

| Subject | Hours of Classroom Training | Hours of on the job training | Location |
|---|---|---|---|
| Fry Cook training | 2 | 38 | Salt Lake City, UT or other location designated by us. |
| Prep Cook Training | 2 | 30 | Salt Lake City, UT or other location designated by us. |
| Grill Cook Training | 2 | 38 | Salt Lake City, UT or other location designated by us. |
| Line Captain Training | 2 | 38 | Salt Lake City, UT or other location designated by us. |
| Brunch Training (as applicable) | 2 | 22 | Salt Lake City, UT or other location designated by us. |
| Kitchen Manager Training | 4 | 156 | Salt Lake City, UT or other location designated by us. |

| | | | |
|---|---|---|---|
| Server Training | 4 | 76 | Salt Lake City, UT or other location designated by us. |
| General Manager Training | 4 | 76 | Salt Lake City, UT or other location designated by us. |
| Leadership Training | 8 | 0 | Salt Lake City, UT or other location designated by us. |
| Total: | 28 | 474 | |

[1]The training program for franchisees may be changed due to updates in materials, methods, manuals, and personnel without notice to you. The subjects and time periods allocated to the subjects actually taught to you and personnel may vary based on the experience of those persons being trained.

The initial training is provided by instructors whose experience is described below and in Item 2 if the trainer is part of management.

| Name | Title | Relevant Experience |
|---|---|---|
| Steven Burchard | Systems Operations & Training Manager | Steven has over 30 years of restaurant management experience in both the TGI Friday and Dave & Buster systems. He joined Winger's in February 2019 to oversee development and evolution of store level training programs and information systems. |
| Patrick Diessner | Culinary Development Manager | Patrick is a graduate of the New England Culinary Institute in Montpelier, Vermont. From May 2017 through November 2019, he was Executive Chef at Snowbird Resorts in Snowbird, Utah, and for the 11 prior years (2006 – 2017) he managed multiple culinary locations for the University of Utah in Salt Lake City. He joined Winger's in November 2019. |
| Keenan Flores-Fenwick | New Store Opening Coordinator | Keenan has been with Wingers since 2007, where she has held such responsibilities as planning, setting and achieving company goals, motivating staff, building and maintaining relationships in the community, developing/maintaining a healthy culture, interviewing/hiring employees, organizing employee files, and staying up to date on regulations. She was promoted to New Store Opening Trainer in 2023 and developed the training plan and staff for corporate and franchise NSOs. |

Materials Provided at the Initial Training. We will provide access to our manuals during the initial training and other handouts to facilitate training. All attendees at any training must sign a non-disclosure agreement acceptable to us before attending the training [franchise agreement paragraph 6.1.4(iv)].

Replacement Training. After the initial training, any new operating principal and new manager must be trained and certified within 60 days of hire or designation as operating principal. Depending on availability and advanced written notice, this training may take place at your location, but more likely the training will take place at or near Our headquarters or at an affiliate's location. Our fee for this additional training and certification is currently $250 per person per day to be trained. You must also cover the travel, food, and lodging for Your attendees or Our representatives, as applicable [franchise agreement paragraph 6.1.4(i)].

Manager Certification Program. We have also instituted a Management Team certification program. All members of Your management team must successfully complete the certification program as provided in the manuals. This certification program addresses several areas of running a franchise business and lasts approximately 9 months. We may deny certification to your proposed manager at any time during the certification program. You may continue to employ an individual who is denied certification but they may not serve as a member of your management team. You and Your manager(s) must also attend and successfully complete any training, certification and other programs at such times and locations as We specify. You will pay all expenses for travel, meals, lodging, and other related costs for such training [franchise agreement section 6.1.4(ii)].

Additional Training. Depending on our availability and advanced written notice, if you would like additional in-person training, we may provide this training to you. We can limit additional training to a certain number of days, attendees, and/or representatives at a time. After operating Your Franchise Business for 12 months We can require your managers or operating principal or other key personnel to attend additional trainings if you are in default, or if we reasonably believe such training would be in the best interest of your franchise. You will bear the costs for travel, food, lodging and compensation of your employees as well as the training fee [franchise agreement paragraph 6.1.4(iii)].

At this time, other than listed above, no additional trainings or refresher courses are required.

## ITEM 12
## TERRITORY

Non-Exclusive Territory. You will not receive an exclusive territory for your franchise business. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, we will not establish another traditional franchise or company owned unit using the trademark within your territory so long as you are in strict compliance with your franchise agreement.

Non-Traditional Outlets. We and our affiliates, either personally or through agents and representatives, exclusively reserve the right to own and operate or sell Wingers Alehouse™ outlets through non-traditional franchises at our discretion, both within and without your territory, without paying compensation to you. These outlets may include locations at convention centers, military bases, universities, sporting arenas, airports, transportation facilities, (including rail or bus terminals, toll road plazas and highway rest stops), urban office buildings, supermarkets, carnivals or street fairs, government facilities, shopping malls, educational facilities, casinos, resort properties, amusement parks or amusement centers, and other similar locations.

Grant of Territory. Under the franchise agreement, we will grant you the right to use the system and proprietary marks solely within a specific geographic area, the boundaries of which will be negotiated prior to signing the franchise agreement and are described in the franchise agreement.

Size of Your Territory. The specific size of your territory is negotiable between you and us based upon the population density, the business base in the territory, whether your location is in a metropolitan or rural area, and other comparable factors, but generally we will not place another franchise unit (which includes any Winger's-system restaurant operating under any of the Winger's marks) within a 4 driving mile radius of your location and your territory will generally have a population base of approximately 40,000 people. The written boundaries of your territory will be included in your franchise agreement. In determining the total population within your territory, we generally consult the United States Census estimate, available via the Internet website located at census.gov/quickfacts.

Adjustment of Territory Boundaries. We reserve the right to adjust your territory boundaries if the population in your territory population increases by more than 50% as demonstrated by demographic data available to us at the time of the territory adjustment. We also have the right to adjust the boundaries of your territory based on inadvertent error in the creation of your territory, or in an effort to more accurately reflect the target market number of population after your premises location has been selected and approved, or for other reasons that we may specify from time to time in the manuals. Except as set forth above, once established you will have the right to your territory during the term of the franchise, we cannot alter the boundaries of your territory without your permission.

Territory Restrictions. You are restricted to operations from the approved franchised premises and may not, without our prior written approval, open or operate another outlet whether inside or outside the territory.

Relocation. You do not have the automatic right to relocate your business, and we have the right to deny any relocation request. You must obtain our prior written permission if you want to relocate your franchise, and you must also be able to demonstrate to us that you have the financial ability to relocate. You do not have the automatic right to relocate your business, and we have the right to deny any relocation request. Approval to

relocate is determined on a case-by-case basis and is based on factors such as your operational history, our then-current criteria used in approving a new franchisee's proposed site, and other factors that are relevant to us at the time of the relocation request. If we do approve a new territory for you, you must pay a fee of $2,500, plus $250 per representative, per day for up to 2 of our representatives to visit your new site for up to 2 days.

Minimum Sales Requirement. Your territory is not dependent upon achievement of a minimum sales volume, market penetration, or other contingency.

Your Rights to Use Channels of Distribution. You do not have the right to sell products or services through other channels of distribution, including the Internet, apps or social media. You cannot provide services outside of your territory.

Advertising Within and Outside Your Territory. In accordance with our manuals, other franchisees may advertise within your territory, and you may advertise within other territories, but you may not open or operate a Wingers system franchise business outside your territory.

Options to Acquire Additional Franchises. You do not receive the right or option to acquire additional franchises.

Our Rights to Use Channels of Distribution in Your Territory. We and our affiliates also exclusively reserve the right, to sell, market and distribute Wingers Alehouse™ products and products under other brands we control both within and outside your territory using other marketing strategies and distribution channels, such as the Internet, via apps, television, radio, social media sites, catalogs and other direct sales methods, to or through grocery and convenience stores and wholesale outlets, co-branding with other outlets, etc., without paying you any compensation.

Our Previous Activities in Your Territory. In the past, we or an affiliate have used one or more of the following distribution channels to sell and distribute products and services in your territory under the Wingers® system of restaurants: websites, television, radio, apps, social media.

Competition by Us Under Different Trademarks. We or an affiliate have the right to own and operate a business that sells or will sell goods or services similar to those sold in your franchise using a different trademark. Currently these businesses are operating under the Wingers® system of restaurants.

Area Development Agreements. As an area developer, you will not be assigned an exclusive area for your development business. 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 guaranteed the ability to open the required number of franchise units within the development area, but other franchisees may also develop within the development area.

The size of the development area is to be negotiated and the written boundaries will be included in your area development agreement. The schedule of units to be developed in your territory are negotiated between you and us. To maintain your area development rights, you must develop the number of franchise businesses by the deadlines listed in your development schedule.

We must approve of the site for each of your units. Our approval or disapproval of a proposed site will be based on our then-current standards for approving sites.

If you do not meet the development deadlines, we may terminate your development agreement. In case of termination, you may continue to own and operate all units that you have developed and that faithfully perform the terms of each franchise agreement. Additionally, you will no longer have any exclusive development rights in your area other than as prohibited by any existing signed Franchise Agreement.

The area development agreement terminates once you develop your last unit to be developed or upon your breach and failure to timely cure. Upon termination, you will cease to have any ongoing development rights,

and we will be free to own, operate or franchise Wingers Alehouse™ businesses anywhere in the development area unless prohibited by any existing franchise agreement you sign.

We, and our parent and affiliates, either personally or through agents and representatives, reserve the right to sell and market Wingers Alehouse™ outlets in non-traditional locations and large institution-type locations both within and without your development area. These outlets may include locations at convention centers, military bases, universities, sporting arenas, airports, transportation facilities, (including rail or bus terminals, toll road plazas and highway rest stops), urban office buildings, supermarkets, carnivals or street fairs, government facilities, shopping malls, educational facilities, casinos, resort properties, amusement parks or amusement centers, and other similar locations. Non-traditional units, whether or not owned by you, will not count towards your development schedule.

We and our parent and affiliates also reserve the right to sell, market and distribute products and services under the Wingers Alehouse™ marks or other marks both within and outside your area using distribution channels, such as through websites, the Internet, social media, national accounts, smartphone apps, wholesale outlets, retail outlets, etc., within your development area. We do not pay you for soliciting or accepting orders for any products or services under the Wingers Alehouse™ brand or other marks through these channels inside your development area.

## ITEM 13
## TRADEMARKS

Non-Exclusive Grant of the Trademark. We grant you the non-exclusive right to use certain of our trademarks in the operation of your franchise business. You may also use future trademarks in the operation of your franchise business, as we designate. You will not at any time acquire any rights in the trademarks. By trademarks we mean our trade names, trademarks, commercial symbols, service marks and logos.

Agreements Regarding the Trademark. Under a license agreement entered into between WUI and us in 2016, we were granted the right to use and sublicense the trademarks for 50 years, which license will automatically renew for a one-year terms for up to 25 additional years. The license may be terminated for our default however, all franchisees in good standing will be able to continue to use the Wingers Alehouse™ intellectual property through the end of their respective then-current franchise agreement term. The terms and provisions of the license agreement cannot be modified without written authorization from both parties.

Registered Trademarks. The following trademarks, service marks, trade names, logotypes or other commercial symbols listed below are registered or have been filed for registration with the United States Patent and Trademark Office on the Principal Register. All required affidavits and renewals have been filed.

| Registration/ Serial Number | Mark | Registry | Registration/Filing Date | Status |
|---|---|---|---|---|
| 5,166,289 | WINGERS (composite mark) | Principal | March 21, 2017 | Registered. |
| 5,235,417 | WINGERS RESTAURANT & ALEHOUSE (composite mark) | Principal | July 4, 2017 | Registered. |
| N/A | Wingers Alehouse (word mark) | N/A | N/A | Not yet filed. |
| N/A | WINGERS ALEHOUSE | N/A | N/A | Not yet filed. |
| 5,569,585 | WINGERS (word mark) | Principal | September 25, 2018 | Registered. |

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

Registered Domain Names. We have registered, among many others, the Uniform Resource Locators (domain names) https://wingerbros.com. You may not register or own a domain name, social media account, email account, etc., using our trademark or any derivative of our trademark in a domain name, and you may not create or register any domain name, social media, email, etc., in connection with your franchise business or the franchise system without our prior written permission.

Use of the Trademark. You must promptly modify or discontinue the use of a trademark at your cost, if we modify or discontinue it, or we require you to use a different trademark.

Government Determinations Regarding the Trademarks. There are presently no effective determinations by the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court or pending interference, opposition or cancellation proceeding, or pending material litigation involving the trademarks. There are no agreements currently in effect that significantly limit our rights to use or license the use of the trademarks.

Superior Prior Rights and Infringing Uses. We are unaware of any superior rights in or infringing uses of the trademarks that could materially affect your use of the trademarks in your territory.

Protection Against Infringement. You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademarks. We have the right to control any administrative proceedings or litigation involving the trademarks, and you must proceed in strict coordination and oversight by us. We will have the discretion to take the action we deem appropriate. The franchise agreement does not require us to take any affirmative action when we are notified of such uses or claims. We are not obligated to protect any rights which you have to use the trademarks, or to protect you against claims of infringement or unfair competition. You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition. You may not act contrary to our rights in the marks. We are not required to defend or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the licensed trademark. You may not contest, directly or indirectly, our rights or interest in our trademarks, names or marks, trade secrets, methods, and procedures that are part of our business. Any goodwill associated with the trademarks or system belongs to us.

## ITEM 14
## PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents. You do not receive the right to use an item covered by a patent and we do not have any patents or pending patent applications with the United States Patent and Trademark Office. We do not own rights to, or licenses in, any patent that is material to the franchise system.

Copyrights. We have not registered our manuals or logos with the United States Copyright Office, but we claim a copyright and consider the information proprietary, and we, our parents, or an affiliate claim protected trade secrets and copyrights in parts of the franchise system. We claim other copyrights in sales literature and marketing materials that we, or our franchisees, develop for our use and for use by our franchisees, and your use of these materials will be limited to the uses required or allowed by us. We or an affiliate may develop software or apps. If so, we claim copyright protection on all such items. You must modify or discontinue the use of any copyright, at your cost, if we modify or discontinue it, at our reasonable discretion.

Proprietary Information. You will be able to use the proprietary information in our manuals but only in connection with the system and only during the term of your franchise agreement. The manuals may not be copied. The manuals must be returned to us or permanently deleted by you upon termination, transfer or non-renewal of your franchise agreement. Portions of the “system,” including certain processes, recipes, formulas, mixes, products, customer lists, etc., are a trade secret or confidential and proprietary to us.

With regards to our proprietary information, the franchise agreement also provides that you will: (a) strictly follow all confidential security procedures required by us, (b) disclose this information to your employees only as needed to market our products and services; (c) not use this information in any other business; (d) exercise the highest degree of diligence to maintain this information as confidential; and (e) promptly notify us if you learn of any unauthorized use of our trade name, trade secrets or proprietary information. Your use of our proprietary information is limited to the uses required or allowed by us.

Agreements Regarding Patents, Copyrights, and Other Intellectual Property. Under a license agreement entered into between WUI and us in 2016, we were granted the right to use and sublicense the patents, copyrights, and other intellectual property for 50 years. The license may be terminated for our default; however, all franchisees in good standing will be able to continue to use the Wingers Alehouse™ intellectual property through the end of their respective then-current franchise agreement term. The terms and provisions of the license agreement cannot be modified without written authorization from both parties.

Protection Against Infringement. You must also promptly tell us when you learn about unauthorized use of our copyrights, manuals, or challenge to your use of any of our other proprietary information. The franchise agreement does not require us to take any action when we are notified of such uses or claims but we will respond to this information as we believe appropriate. We have the right to control any administrative proceedings or litigation. We are not required to defend or indemnify you for any damages from a proceeding based on patent or copyright. You must modify or discontinue the use of any patent or copyright, at your cost, if we modify or discontinue it, in our reasonable discretion.

Government Determinations Regarding Patents and Copyrights. There are presently no effective determinations by the United States Patent and Trademark Office, the United States Copyright Office, or any court regarding a patent or copyright. There are no agreements currently in effect that significantly limit our rights to use or license the use of any patent or copyright.

Infringing Uses. There are presently no known infringements of the copyrights or patents.

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

Participation and “On Premise” Supervision. We recommend but do not require on-premises supervision by your operating principal, who must be your principal point of contact with us. However, unless your operating principal will act as the full-time manager of the franchise business, we do require on-premises supervision by your general manager who must be trained by us and have successfully completed our manager certification program to manage your franchise business.

Although we do not require your operating principal to be involved in the day-to-day on-premises management, at all times during the term of your franchise agreement, your operating principal is required to participate in your franchise business as follows: (i) be directly responsible for overseeing all accounting, reporting and bookkeeping, and all financial components of the franchise business; (ii) attend and complete all training and retraining courses required by us; (iii) attend any annual or special meetings of franchisees required by us; (iv) be directly involved with site selection, construction, remodeling; (v) be directly involved in all personnel decisions affecting the franchise business; and (vi) conduct frequent inspections of the franchise business operations to ensure the highest standards of professionalism, cleanliness and a general pleasant appearance, and compliance with our approved methods.

Unless your operating principal acts as the full-time general manager of the franchise business, your operating principal is not required to work a certain or minimum number of hours. However, your operating principal must work sufficient hours to operate your franchise or supervise your managers so that your franchise business is operating at maximum capacity and efficiency. You must have at least one trained general manager or the trained operating principal on site during regular business hours.

Incentive Program. We require that you institute an incentive program for your management team (your management team includes your certified and trained general manager, kitchen manager and any assistant managers) which will be divided among your management team as you reasonably determine. You are free to structure the program as you reasonably determine, but the program and your management team's total compensation must be in accordance with the incentive program's purposes.

No Competing Enterprises. Neither you, your operating principal, nor your management employees can have an interest in or business relationship with any competing bar and grill dining restaurant business and must keep free from activities that would be detrimental to or interfere with the operation of your franchise business or detrimental to the franchise system. Your managers do not need to have an ownership interest in your franchise business. You, your partners, directors, members, shareholders, and operating principal will be required to sign our standard principal brand protections agreement to protect and keep confidential our trade secrets, recipes and other confidential information described in Item 14 and to conform with the covenants not to compete described in Item 17 and our brand protection agreement. Your employees and contract personnel with access to recipes will also be required to sign a brand protection agreement, and that agreement also imposes certain non-competition restrictions on management employees and contract personnel. Some states may impose certain restrictions on non-competition agreements. We provide you this form, but it is your responsibility to conform it to the laws and regulations of your state [franchise agreement exhibit A-5 and A-6].

Required Operations. You must operate the franchise business at least 7 days per week throughout the year (unless waived in writing by us).

Personal Guarantees. Any individual who owns a 20% or greater interest in the franchise business must personally guarantee the performance of all your obligations under the franchise agreement and agree to be personally bound by, and liable for, the breach of every provision of the franchise agreement.

Area Developers. If you have an area development agreement and are a legal entity, you are required to designate one of your owners as your operating principal. Your operating principal will be principally responsible for communicating and coordinating with us regarding business, operational and other ongoing matters concerning the area development agreement and all of the units that you develop as part of the area development agreement. Your operating principal will have the full authority to act on your behalf in regard to performing, administering or amending the area development agreement and all franchise agreements executed as a result of your exercising your rights under the area development agreement. The operating principal may be the same person as the operating principal of one of your units.

## ITEM 16
## RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must provide and sell only those products and services specified and approved by us in writing. We do not put limitations on customers frequenting your restaurant. No service or product may be added to, altered, or discontinued by your franchise business unless it is first approved by us in writing. You must offer all services and products required by us. We reserve the right to add, modify, or delete products and or services that you will be required to offer. There are no limits on our right to do so. You must strictly follow our policies, procedures, specifications, methods and techniques concerning all of our services and products.

## ITEM 17
## RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

### THE FRANCHISE RELATIONSHIP[1]

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

| | Provision | Section in Franchise or other Agreement | Summary |
|---|---|---|---|
| a. | Length of the franchise term | Sections 2.1 and 14.9 | The term is 10 years. |
| b. | Successor franchise or extension of the term | Section 2.2 | If you are in good standing at the end of the franchise term, you can enter into a successor franchise agreement for an additional term of 10 years. Your successor agreement may also provide an option to enter into a subsequent successor franchise agreement. |
| c. | Requirements for franchisee to renew or extend | Section 2.2 | In order to renew, you must, among other things, not be in default, pay successor franchise fee, modernize your franchise business to then-current standards, sign a release, and sign the then-current franchise agreement. When renewing, you may be required to sign a contract with materially different terms and conditions than your original contract.<br>You are required to give us notice of your intent not to renew at least 6 months prior to the expiration of your franchise agreement (subject to state law).<br>If at the time for renewal we are not offering franchises in the US or cannot by law offer a renewal franchise to you, your existing franchise agreement will be extended for a one-year period. If, at the end of the one-year extension we still are not or cannot offer a renewal franchise to you, the franchise agreement will automatically expire, and you will not have any further renewal or extension rights. |
| d. | Termination by franchisee | Section 11.4 | There are no provisions in the franchise agreement that permit you to terminate the franchise agreement. However, some states may allow you to terminate as permitted by state law. |
| e. | Termination by franchisor without cause | Section 11.1 | We must have cause to terminate the franchise agreement. |
| f. | Termination by franchisor with cause | Section 11.1 | We can terminate if you materially breach and fail to cure. There are certain breaches for which we can terminate without giving you an opportunity to cure (see (h) below). If your franchise agreement is terminated, we have the right to terminate any other agreement you have with us, including an area development agreement, if applicable. |
| g. | "Cause" defined – curable defaults | Section 11.1 N-W | You have between 24 hours and 30 days to cure certain material defaults of the franchise agreement. |
| h. | "Cause" defined - non-curable defaults | Section 11.1 A-M | Non-curable defaults include insolvency, bankruptcy, conviction of a felony, fraud, repeated defaults even if cured, harm or threat of harm to the public, abandonment, and trademark misuse etc. |

| | Provision | Section in Franchise or other Agreement | Summary |
|---|---|---|---|
| i. | Franchisee's obligations on termination/ non-renewal | Section 12.1 | Obligations include complete de-identification, payment of amounts due, and compliance with the brand protection agreement (see also (r), below). |
| j. | Assignment of contract by franchisor | Section 14.1 | There are no restrictions on our right to assign. |
| k. | "Transfer" by franchisee - defined | Section 14.2 | The definition of transfer by you includes the assignment and transfer of contracts, security interests, transfer of ownership interest, the sale of substantially all your assets, etc. |
| l. | Franchisor approval of transfer by franchisee | Section 14.2 | We must approve all transfers, but we will not unreasonably withhold approval. |
| m. | Conditions for franchisor approval of transfer | Sections 14.3 – 14.8 | Conditions to transfer include you are not in default, all fees are current, new franchisee qualifies, transfer and training fees are paid, purchase agreement is approved, training for new transferee arranged, new transferee signs the then-current franchise agreement, a release is signed by you, etc. You must also coordinate with the transferee to ensure coverage at the restaurant during the transferee's initial training. These conditions are subject to state law (see state specific addenda). |
| n. | Franchisor's right of first refusal to acquire franchisee's business | Sections 14.9 | We can match any offer for your franchise business or assets within 60 days of written notice to us of the offer. |
| o. | Franchisor's option to purchase franchisee's business | Section 13.1 | Upon termination or expiration of the franchise agreement we can elect to buy your business assets at fair market value or exercise the buyback option. |
| p. | Death or disability of franchisee | Section 14.10 | Within 160 days of death or disability of your majority owner, your personal representative must be approved and a new manager must be trained, if applicable, or franchise must be assigned to an approved buyer. We have the right to operate your franchise business until a trained manager is in place for which fees will apply. |
| q. | Non-competition covenants during the term of the franchise | Section 16.1 | No involvement in a competing business anywhere without our written consent. Non-competition provisions are subject to state law. |

| | Provision | Section in Franchise or other Agreement | Summary |
|---|---|---|---|
| r. | Non-competition covenants after the franchise is terminated, transferred or expires | Sections 16.3 – 16.4 | No competing business for 2 years within your former territory or within 20 miles of your territory or within 10 miles of any other Winger's® system franchise (including after assignment). If you compete within the restrictive period, this non-compete period will be tolled and extended for the period of your competition. Non-competition provisions are subject to state law.<br>For a period of 3 years from termination, transfer, or expiration of your franchise agreement, you may not solicit to or on behalf of a competing business any former customer of your franchise business that you serviced as a Winger's® system franchisee, or customer of ours or of an affiliate with whom you interacted during the term of the franchise agreement, or any Winger's® system franchise. |
| s. | Modification of the agreement | Section 20.11 | Modifications must be made in writing and signed by both parties, but policies and procedures and the manuals are subject to change by us. |
| t. | Integration / merger clause | Section 20.10 | Only the terms of the franchise agreement are binding (subject to state law). No provision in any franchise agreement is intended to disclaim the representations made in this franchise disclosure document. Any representations or promises made outside of the franchise disclosure document and other agreements may not be enforceable. |
| u. | Dispute resolution by arbitration or mediation | Section 17.2 | Except for certain claims, for all disputes there must be a face-to-face meeting, mediation and arbitration in Utah (see state specific addenda). |
| v. | Choice of forum | Sections 17.2 and 19.2 | All dispute resolution must be held in Salt Lake County, state of Utah (subject applicable to state law). |
| w. | Choice of Law | Sections 19.1 and 19.5 | Utah law, the Federal Arbitration Act, and the United States Trademark Act apply (subject to applicable state law). |

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

**Area Development Agreement**

| | Provision | Section in Area Development Agreement | Summary |
|---|---|---|---|
| a. | Length of the Area Developer Agreement | Section 3.4 & Exhibit B | The term depends on the number of units you will develop. |
| b. | Renewal or extension of the term | Section 3.4 | There is no renewal right. |

| | Provision | Section in Area Development Agreement | Summary |
|---|---|---|---|
| c. | Requirements for developer to renew or extend | Not Applicable | See above (subject to state law). |
| d. | Termination by developer | Not Applicable | Rights to terminate are subject to state laws. |
| e. | Termination by franchisor without cause | Not Applicable | We must have cause to terminate the area development agreement. |
| f. | Termination by franchisor with cause | Section 9.1 | We can terminate only if you are in default of your agreement. |
| g. | "Cause" defined – curable defaults | Paragraphs 9.1.2 and 9.1.3 | You have 45 days to cure a development schedule default and 30 days to cure certain other material defaults of the area development agreement. |
| h. | "Cause" defined – non-curable defaults | Paragraph 9.1.1(1 – 6) and section 9.2 | Non-curable defaults: insolvency, repeated defaults even if cured, abandonment, your obligations under the area development agreement; if you, for 4 consecutive months, or any shorter period that indicates an intent by you to discontinue your development of units within the development area, and termination of any of your franchise agreements, etc. |
| i. | Developer's obligations on termination/non-renewal | Article 10 | We may sell in your territory, and you may continue as a franchisee pursuant to your signed franchise agreements.<br>In the event we terminate your area development agreement, you may continue to own and operate all units that you have developed and that are faithfully performing under the terms of the franchise agreement. |
| j. | Assignment of contract by franchisor | Article 11 | No restrictions on our right to assign. |
| k. | "Transfer" by developer - defined | Article 11 | Includes assignment and transfer of contracts, security interests and ownership change. |
| l. | Franchisor approval of transfer by developer | Article 11 | We have the right to approve all transfers but will not unreasonably withhold approval. |
| m. | Conditions for franchisor approval of transfer | Article 11 | You are not in default, the transferee is trained and signs the then-current area developer agreement, and a release signed by you. |
| n. | Franchisor's right of first refusal to acquire developer's business | Article 11 | We can match any offer for your area development business within 30 days of written notice to us of the offer. |
| o. | Franchisor's option to purchase franchisee's business | Not Applicable | |
| p. | Death or disability of developer | Article 11 | The heirs or personal representative will have the right to continue to fulfill the area developer's obligations under the agreement, provided that a personal representative be approved or area development agreement must be assigned to an approved buyer within a reasonable time, not to exceed 160 days (subject to state law). |
| q. | Non-competition covenants during the term | Article 11 | No involvement in a competing business. Non-competition provisions are subject to state law. |

| | Provision | Section in Area Development Agreement | Summary |
|---|---|---|---|
| | of the Area Developer Agreement | | |
| r. | Non-competition covenants after the developer is terminated, transferred or expires | Article 11 | No competing business for 2 years within 50 miles of your development area or within 10 miles of another then-existing Winger's® system franchise or company or affiliate owned business (including after assignment). If you compete within the restricted time period then this non-compete time period will be tolled and extended for the period of your competition. Non-competition provisions are subject to state law. For a period of 3 years from termination, transfer, or expiration of your area development agreement, you cannot divert or attempt to divert any business or customer from us, an affiliate, or our franchisees, or injure our goodwill. |
| s. | Modification of the agreement | Article 11 | Modifications must be made in writing and signed by both parties; policies and procedures are subject to change by us. |
| t. | Integration / merger clause | Article 11 | Only the terms of the area developer agreement are binding (subject to state law). All representations and promises outside the disclosure document and area development agreement may not be enforceable. No provision in the area development agreement is intended to disclaim the express representations made in this franchise disclosure document. |
| u. | Dispute resolution by arbitration or mediation | Article 11 | Except for certain claims, for all disputes there must be a face-to-face meeting, mediation and arbitration (see state specific addenda). |
| v. | Choice of forum | Article 11 | Arbitration must be in Salt Lake County, Utah. Litigation, if any, must be in Salt Lake County, Utah (subject to applicable state law). |
| w. | Choice of Law | Article 11 | Utah law, the Federal Arbitration Act and the United States Trademark Act apply (subject to applicable state law). |

## ITEM 18
## PUBLIC FIGURES

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

## ITEM 19
## FINANCIAL PERFORMANCE REPRESENTATIONS

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

## 2024 FINANCIAL PERFORMANCE FOR THE 5 WINGERS ALEHOUSE™ FRANCHISE LOCATIONS

The below historical financial performance represents the average annual gross sales, costs of goods sold, and labor costs for 5 of our Wingers Alehouse™ franchise locations operating with a full bar and open from January 1, 2024, through December 31, 2024. The numbers used to create all charts below are based upon the gross sales numbers reported to us by the franchisees and we have not audited these numbers. Our Brigham City, Utah location was not included as it is in a smaller market and is used as a test unit to determine the viability of a smaller restaurant and menu. In addition, we did not include those restaurants that are in an early generation diner format that is no longer a part of the system offered under this disclosure document, are not full Restaurant & Alehouse locations, or do not have a full bar.

The 5 locations used in this financial performance representation are: Ontario, Oregon; Nampa, Idaho; Mountain Home, Idaho; Meridian, Idaho; and Vernal, Utah.

| **Gross Sales** | | | | |
|---|---|---|---|---|
| Average | Median | Low | High | Percentage that met or exceeded the average |
| $3,035,676 | $2,671,116 | $2,577,665 | $3,983,801 | 40% |
| **Percentage Attributed to Costs of Goods Sold** | | | | |
| 31.6% | 31.3% | 30.9% | 33.0% | 80% |
| **Percentage Attributed to Total Labor** | | | | |
| 27.5% | 27.5% | 23.0% | 33.9% | 60% |

## 2024 FINANCIAL PERFORMANCE FOR THE 4 AFFILIATE-OWNED WINGERS ALEHOUSE™ LOCATIONS

The below historical financial performance represents the average annual gross sales, costs of goods sold, and labor costs for 4 of our Wingers Alehouse™ affiliate-owned locations operating with a full bar and open from January 1, 2024, through December 31, 2024. As with the above chart, the below excludes affiliate-owned locations that are in an early generation diner format, are not full Restaurant & Alehouse locations, or do not have a full bar.

The 4 affiliate locations operating as a Wingers Alehouse used in this financial performance representation are: Elko, Nevada; Murray, Utah; West Valley City, Utah; and Bountiful, Utah.

| **Gross Sales** | | | | |
|---|---|---|---|---|
| Average | Median | Low | High | Percentage that met or exceeded the average |
| $1,775,307 | $1,612,108 | $1,307,432 | $2,569,581 | 50% |
| **Percentage Attributed to Costs of Goods Sold** | | | | |
| 30.8% | 30.7% | 30.2% | 31.5% | 75% |
| **Percentage Attributed to Total Labor** | | | | |
| 32.2% | 31.8% | 30.7% | 34.3% | 75% |

Additional Notes

- Discounts include promotional and employee discounts, including delivery fees
- Food & beverage operating costs include direct cost of food and beverage products acquired for resale
- Labor & benefits include hourly, salaried, and payroll taxes

Wingers system Restaurants We also have 9 other franchised restaurants and 3 other company/affiliate owned restaurants in the Winger's® system of restaurants, but they do not operate restaurants identical to the business offered through the Wingers Alehouse™ franchise. While we consider these other restaurants part

of the Wingers® system, the numbers and sales figures for these other 12 restaurants have not been included as part of this Item 19 financial performance representation as the operations and offerings differ from those of the Wingers Alehouse™. Specifically, in the Wingers Alehouse™ restaurants the décor is distinct and different, the beer and craft beer offerings are more comprehensive, there are additional menu items reflecting an elevated culinary and gastro-pub influence, and there is updated interior and exterior. Based on the numbers reported by our franchisees from all the various Winger's franchise restaurants, the Wingers Alehouse™ has the highest profits and earnings.

Notes for each table

1. "Gross sales" means the total of all sales of all goods and services sold, traded, bartered, or rendered by You and income of every kind and nature Including the value of a trade or other bartering, arising from Your Franchise Business and tangible property of every kind sold by You during the term of this Agreement. Gross sales also Includes insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" excludes bona fide credits or returns excludes amounts paid by You for sales or use taxes on the sale of any products or services.

2. "Average" means the sum of all data points in a set, divided by the number of data points in that set.

3. "Median" means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the 2 numbers in the middle, adding them together, and dividing by 2.

4. Other than time in operation, our affiliate owned locations do not differ materially to the anticipated characteristics of our franchisees' locations. Our affiliate's locations offer products and services similar to what our franchisees will offer and follow the same Winger's® system that our franchisees are required to follows.

5. The earnings claims figures do not reflect the 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 this disclosure document, may be one source of this information.

The market where your Wingers Alehouse™ franchise may be located in a larger or smaller urban or suburban area than the areas used in the above representations. You may also face direct competition from similar bar and grill restaurants owned by outside competitors or other well-established restaurants in your area, which could affect your gross sales. Your gross sales could be affected by economic and market conditions such as: 1) an increase in the cost of food products; 2) a change in the unemployment rate; 3) agricultural losses from unpredictable weather; 4) individual management and operating ability; 5) cost for local labor and supplies; and 6) other unforeseeable changes in the economy. Additionally, changes in laws or regulations by local, state or federal government may increase operating and other costs. There may be other factors that we cannot predict which may affect your actual results when operating a Wingers Alehouse™. You must estimate your own costs and expenses including, but not limited to, inventory, marketing, insurance, royalties, rent, wages, payroll taxes and professional fees.

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

The above financial performance representation is based on the sales as reported by the franchisees. We have not audited these amounts for accuracy. Your franchise results may be different from those included in this Item 19. Your results are dependent upon your efforts and your management and operating abilities. You are strongly urged to make an independent survey and investigation of the economic and market conditions in your area, the costs and expenses you will incur in operating your franchise business, and to consult your

accountant, attorney and/or financial advisor. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, Winger's Franchising, Inc. does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Eric Slaymaker at 3950 South 700 East #302, Salt Lake City, Utah 84107, (801) 261-3700, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20
## OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1**
**Systemwide Outlet Summary**
**For Years 2022 to 2024**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised[1] | 2022 | 15 | 14 | -1 |
| | 2023 | 14 | 14 | 0 |
| | 2024 | 14 | 14 | 0 |
| Company Owned[2] | 2022 | 8 | 8 | 0 |
| | 2023 | 8 | 7 | -1 |
| | 2024 | 7 | 7 | 0 |
| Total | 2022 | 23 | 22 | -1 |
| | 2023 | 22 | 21 | -1 |
| | 2024 | 21 | 21 | 0 |

[1] The numbers represent all the various franchises under the Wingers system of franchise restaurants. At the end of 2024, 6 of the 14 franchise restaurants were Wingers Alehouse™ franchise businesses. Our goal and intention is to have all franchise restaurant concepts operate as a Wingers Alehouse™ restaurant.

[2] Four of the affiliate-owned locations are currently operating as Wingers Alehouse™ restaurants and we intend to eventually transition all affiliate-owned locations to the Wingers Alehouse™ restaurant concept.

**Table No. 2**
**Transfers of Outlets from Franchisees to New Owners**
**For Years 2022 to 2024**

| State | Year | Number of Transfers |
|---|---|---|
| Nevada | 2022 | 0 |
| | 2023 | 0 |
| | 2024 | 1 |
| Utah | 2022 | 1 |
| | 2023 | 1 |
| | 2024 | 0 |
| Total | 2022 | 1 |
| | 2023 | 1 |
| | 2024 | 1 |

**Table No. 3**
**Status of Franchised Outlets**
**For Years 2022 to 2024**

| State | Year | Outlets at the Start of the Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations for Other Reasons | Outlets at End of Year |
|---|---|---|---|---|---|---|---|---|
| Idaho | 2022 | 4 | 0 | 0 | 0 | 0 | 1 | 3 |
| | 2023 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| | 2024 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Nevada | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Oklahoma | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Oregon | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Utah | 2022 | 9 | 1 | 0 | 0 | 1 | 0 | 9 |
| | 2023 | 9 | 0 | 0 | 0 | 0 | 0 | 9 |
| | 2024 | 9 | 0 | 1 | 0 | 0 | 0 | 8 |
| Total | 2022 | 15 | 1 | 0 | 0 | 1 | 1 | 14 |
| | 2023 | 14 | 0 | 0 | 0 | 0 | 0 | 14 |
| | 2024 | 14 | 1 | 1 | 0 | 0 | 0 | 14 |

**Table No. 4**
**Status of Company-Owned Outlets**
**For Years 2022 to 2024**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets Opened | Outlets Reacquired from Franchisee | Outlets Closed | Outlets Sold to Franchisee | Outlets at End of Year |
|---|---|---|---|---|---|---|---|
| Idaho | 2022 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 1 |
| Nevada | 2022 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 1 |
| Utah | 2022 | 6 | 1 | 1 | 1 | 1 | 6 |
| | 2023 | 6 | 0 | 1 | 1 | 1 | 5 |
| | 2024 | 5 | 0 | 0 | 0 | 0 | 5 |
| Total | 2022 | 8 | 1 | 1 | 1 | 1 | 8 |
| | 2023 | 8 | 0 | 1 | 1 | 1 | 7 |
| | 2024 | 7 | 0 | 0 | 0 | 0 | 7 |

**Table No. 5**
**Projected Openings as of December 31, 2024**

| State | Franchise Agreements Signed but Outlet Not Opened | Projected New Franchised Outlet in the next Fiscal Year | Projected New Company-Owned Outlet in the Next Fiscal Year |
|---|---|---|---|
| Colorado | 0 | 0-1 | 0 |
| Idaho | 1 | 0-1 | 0 |

| State | Franchise Agreements Signed but Outlet Not Opened | Projected New Franchised Outlet in the next Fiscal Year | Projected New Company-Owned Outlet in the Next Fiscal Year |
|---|---|---|---|
| Kansas | 0 | 0-1 | 0 |
| Nebraska | 0 | 0-1 | 0 |
| Nevada | 0 | 0-1 | 0 |
| Oklahoma | 0 | 0-1 | 0 |
| Texas | 3 | 0-1 | 0 |
| Utah | 0 | 0-1 | 0-1 |
| Wyoming | 1 | 0-1 | 0 |
| Total | 5 | 0-9 | 0-1 |

List of Franchisees. Exhibit "C" contains a list of our current franchisees. Exhibit "C" also contains a list of franchisees who have had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date. If you but this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Disclosure of Franchisee Information. If you invest in this franchise, your contact information and financial information may be disclosed in our disclosure document.

Sale of Previously Owned Outlet. We are not selling a previously owned franchised outlet now under our control.

Confidentiality Agreements. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Wingers® franchise system. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

Franchisee Organizations. We do not know of any trademark specific franchisee organization associated with our system that is required to be disclosed in this item.

## ITEM 21
## FINANCIAL STATEMENTS

Our fiscal year ends on the Sunday nearest December 31 of each year. Attached as Exhibit "B" are our audited financial statements dated December 31, 2024, December 31, 2023, and December 31, 2022.

## ITEM 22
## CONTRACTS

We have attached the following contracts: as Exhibit "A," the Franchise Agreement and its Exhibits; including Exhibit "A-10" as the Franchisee's Report; as Exhibit "G," Deposit Agreement; as Exhibit "H," Area Development Agreement; and as Exhibit "I," Form Release Agreement. All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached.

## ITEM 23
## RECEIPT

The last 2 pages of this disclosure document contain a receipt, in duplicate. The receipt is a detachable acknowledgement that you have received this Franchise Disclosure Document. Both receipts should be signed and dated by you. One copy should be returned to us, and you should keep the other for your records. If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt by mailing it to 3950 South 700 East #302, Salt Lake City, Utah 84107, or by emailing it to us at support@wingerbros.com.

**ADDENDUM TO THE WINGERS ALEHOUSE™ FDD**
**STATE REGULATIONS**

**SCHEDULE "A-1"**
**TO THE FDD**

**STATE REGULATIONS**
**FOR THE STATE OF NORTH DAKOTA**

The disclosure document, franchise agreement, and other related agreements are amended to conform to the following:

1. Item 17 of the Disclosure Document is amended as follows:

- No general release shall be required as a condition of renewal and/ or transfer which is intended to exclude claims arising under North Dakota Franchise Investment Law Section 51-19-09.

- In case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorneys' fees.

- The statute of limitations under North Dakota Law will apply.

- Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.

- A provision requiring litigation or arbitration to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.

- In the event of a conflict of laws, North Dakota Law will control.

- Franchisee may not assent to a waiver of rights to a jury trial, waiver of rights to exemplary or punitive damages, or waiving his rights to any procedure, forum, or remedies provided for by the laws of North Dakota, or consenting to liquidated damages, termination penalties or judgment notes.

2. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise agreement 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.

**EXHIBIT "A"**
**TO THE FDD**

**FRANCHISE AGREEMENT**

**FRANCHISE AGREEMENT**

By and Between

Winger's Franchising, Inc.

and

_____
(Franchisee)

_____
City/State

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This Agreement and the Schedules and Exhibits attached hereto are subject to the copyright of The Franchise & Business Law Group, LLC

**WINGERS ALEHOUSE™**
**FRANCHISE AGREEMENT**

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A-5 Brand Protection Agreement for Principals
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**WINGERS ALEHOUSE™**
**FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT ("Agreement") is entered into and made effective as of _____ by and between Winger's Franchising, Inc., a Utah corporation ("Franchisor" or "Wingers," "We," "Us" or "Our" as further defined in Article XXI below) and _____ ("Franchisee" or "You" or "Your" as further defined in Article XXI below).

WHEREAS, We have developed or have been licensed a system for the operation of a restaurant offering bar and grill dining services within the Wingers® brand and system of restaurants known as Wingers Alehouse™ utilizing the Marks and System, and offering restaurant products, services, food, and beverages, and other related products and services ("Franchise Business"); and

WHEREAS, We have an exclusive license with Our affiliate, Winger's USA, to use the Marks, to develop, license, and sell franchise businesses as part of the Wingers® system of restaurants; and

WHEREAS, You are desirous of entering into an agreement with Us so as to be able to obtain the rights to operate a Franchise Business using the System; and

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

## ARTICLE I
## AWARD OF FRANCHISE

1.1 Award of Franchise. We hereby grant to You, and You accept, subject to the terms, conditions and obligations herein, the non-exclusive, non-sublicensable personal right to establish and conduct a Franchise Business as a Wingers Alehouse™ franchisee and the right to use the System and the Marks only as specifically set forth herein. This right is granted for use only at a single location approved by Us ("Premises") within Your Territory listed on Exhibit "A-1" ("Territory"). You must operate Your Franchise Business in strict compliance with the terms and conditions of this Franchise Agreement and the Manuals.

1.1.1 Territory Rights. Except as set forth in Section 1.3 below, during this term of this Agreement, We will not establish or operate a traditional company-owned outlet or grant to any person or entity a franchise within the Territory using the same or similar System as that licensed by this Agreement.

1.1.2 Territory Adjustment. We have the right to adjust the boundaries of Your Territory if the population in Your Territory increases of 50% or more as measured from the date of this Agreement. We also have the right to adjust the boundaries of your territory based on inadvertent error in the creation of your territory, or in an effort to more accurately reflect the target market number of population after your premises location has been selected and approved, or for other reasons that We may specify from time to time in the Manuals.

1.1.3 Catering. You have the right to provide catering services within Your Territory. However, You must receive Our prior written approval to provide any catering services outside of Your Territory, and unless otherwise clearly indicated, such approval will only apply to a specific event, and You must seek Our prior written approval each time You desire to cater outside of Your Territory. No course of conduct of providing catering services outside of Your Territory will be construed as expanding Your Territory.

1.2 Scope of Franchise Operations. You must at all times comply with Your obligations hereunder and must continuously use Your best efforts to promote and operate Your Franchise Business.

1.3 Our Reservation of Rights. All rights not specifically granted to You in this Agreement are reserved to Us. You expressly acknowledge and agree that this license is non-exclusive, and that We retain, among other rights, the right, in Our sole discretion: 1) to establish and license others to establish and operate

Wingers® brand businesses outside the Your Territory; 2) to operate and license others to operate businesses anywhere that do not operate under any of the Wingers® system brand name; and 3) to use the Marks and other marks in connection with the manufacture and sale of products at wholesale and at retail.

1.4 Restriction of Territory Rights. The rights and privileges granted to You under this Agreement are personal in nature. This Agreement is granted solely for the operation of a Franchise Business at the Premises, do not extend to the operation of a Franchise Business or any other use of the System from any other location within or outside Your Territory, or in any other manner, except as may be allowed by this Agreement and Our Manuals. You cannot operate any other business from the Premises other than the Franchise Business. You are permitted to Market or sell to customers in another franchisee's territory.

1.5 Rights to Use Channels of Distribution. Except for the rights expressly given to You, there will be no limitation on Our rights to deal with potential or actual customers located anywhere. We and Our affiliates expressly reserve the right Market in Your Territory and elsewhere using Marketing strategies and distribution channels Including Internet, television, radio, via apps, social media sites, catalogs and other direct sales methods, to or through grocery and convenience stores and wholesale outlets, co-branding with other outlets, etc. We do not pay You for soliciting or accepting orders for any products or services We make inside Your Territory.

1.6 No Automatic Rights for Further Development. Unless You enter into a separate multi-unit / area development agreement, You do not have the contractual right to open additional locations. The decision to grant You the right to open one or more additional locations will be at Our sole discretion. Additionally, to be considered for approval to open any additional locations, You must not be in default of this Agreement or any other franchise agreements, and You mut have achieved a passing A-grade score on all internal and external audits for the operation of Your location(s), including food handling and safety audits within the then-previous six months. If You are granted the right to open an additional location, You must sign Our then-current franchise agreement for that location, which may have terms materially different from this Agreement.

## ARTICLE II
## TERM AND SUCCESSOR FRANCHISE

2.1 Term. This Agreement will be effective when executed by both You and Us. The franchise term will be for a period of 10 years, unless terminated earlier pursuant to Article XI herein. If We are required by law or otherwise to give You notice before the Termination of this Agreement, and fail to do so, this Agreement will remain in effect from month-to-month until We have given the required notice.

2.2 Successor Franchise. You have the right to be awarded a successor franchise ("Successor Franchise") upon the expiration of the original term for an additional term of 10 years if all of the following conditions are met at the time You elect to renew: 1) You are not in default of this Agreement; 2) You have timely met material terms and conditions of this Agreement throughout the initial term; 3) You have complied with Our material operating and quality standards and procedures and any required modification to such standards and procedures; 4) You have timely paid all monetary obligations owed to Us during the term of this Agreement; 5) You have agreed to modernize and update your Franchise Premises to our then-current standards; and 6) You are not subject to any pending litigation or governmental proceeding which could have a material adverse effect upon You or Your Franchise Business. You shall give Us written notice of Your intent to renew or not renew at least six months prior to the expiration date of the term hereof. Your failure to give such notice will constitute an automatic election to enter into a Successor Franchise Agreement (defined below). Your Successor Franchise Agreement may also provide for a successive franchise term. If You fail to sign a Successor Franchise Agreement for any reason but continue to operate Your Franchise Business, at Our election, You will be deemed to have renewed only on a month-to-month basis requiring You to abide by Our then-current Fees. In addition to Our rights to terminate as set forth in Article XI, Your month-to-month Franchise Business may be terminated only by Us upon 30 days prior written notice to You for any reason whatsoever.

2.2.1 Commencement Date for Successor Franchise Term. Unless another date is specified in the Successor Franchise Agreement, which date will supersede, said Successor Franchise term, Including

any month-to-month term, will commence on the day following the expiration date of the initial or applicable Successor Franchise term.

2.2.2 Notice of Non-Approval. Upon receiving Your notice with an election to enter into a Successor Franchise, We will have 45 days to provide written notice in the event You do not qualify for Successor Franchise or as otherwise required by law.

2.2.3 Successor Franchise Agreement. If approved as a Successor Franchise, You must execute Our then-current form of Our successor franchise agreement ("Successor Franchise Agreement"). The Successor Franchise Agreement Includes, personal guarantees and a general release form of all claims against Us (existing at that time) arising from this Agreement, the relationship created herein and Your Franchise Business. If You fail to execute such a release, the signing of the Successor Franchise Agreement will be the equivalent of the granting of such a release. The Successor Franchise Agreement will supersede in all respects the terms and conditions of this Agreement. You must sign and return to Us the Successor Franchise Agreement at least 90 days prior to the expiration of this Agreement, or You will, at Our election, will be deemed to have withdrawn Your request to enter into a Successor Franchise Agreement. **You acknowledge that You will be bound by the form of the Successor Franchise Agreement in effect at the time which may contain Fees and charges, territorial, and other changes in material provisions different from those contained in this Agreement, Including, terms affecting payments to Us or Our affiliates.**

2.2.4 Successor Franchise Fee. If approved for a Successor Franchise, You shall pay to Us a non-refundable Successor Franchise Fee set forth in Exhibit "A-3," payable in full at the time of execution of the Successor Franchise Agreement.

2.2.5 Upgrading Your Franchise Business. As a condition to Us approving You entering into a Successor Franchise Agreement, at Your expense You are required to Update Your Franchise Business and Premises to the extent and in the manner specified by Us to conform with and bring it up to the standards, image, and capabilities of new Wingers Alehouse™ restaurants being opened at the time the Successor Franchise takes effect. Unless otherwise waived by Us, such Updates must be made within six months of signing the Successor Franchise Agreement. You shall make all necessary arrangements to continue the occupancy of Your existing Premises through the Successor Franchise term(s) unless We give written permission to relocate Your Premises.

2.2.6 Successor Franchise Training. As a condition to Us approving You entering into a Successor Franchise Agreement, Your Operating Principal, and/or other key Personnel may also be required to attend and successfully complete any training, certification and other programs at such times and locations as We specify. You may be required to cover the expense of travel, meals, lodging and other related costs for such training and certifications.

2.2.7 Unable to Offer Successor Franchise. Notwithstanding the preceding paragraphs of this Section, if at the time You provide Your notice of desire to enter into a Successor Franchise Agreement, We are no longer offering franchises in the United States, We are or not able by law to offer a successor agreement to You, then this Agreement will automatically be extended for a period of one year. If at the end of the one-year extension We still are not offering franchises in the United States, or We are unable by law to offer a successor franchise to You, this Agreement will automatically terminate unless further extended by mutual consent, which consent We can withhold for any reason.

## ARTICLE III
## INTELLECTUAL PROPERTY

3.1 Intellectual Property and Confidential Information. You acknowledge that: 1) as between You and us, We have the sole rights in and to the Intellectual Property and Confidential Information; 2) Your right to use the System is granted by Us solely pursuant to the terms of this Agreement; and 3) as between You and Us, We have the sole right to license and control Confidential Information and Intellectual Property. Our Intellectual Property and Confidential Information provided to You by or through Us will remain Our sole

property. You acknowledge that Our Confidential Information and Intellectual Property are unique and/or confidential and contain trade secrets and other material proprietary to Us.

3.2 Use of Confidential Information and Intellectual Property. You have a non-exclusive right to use the Confidential Information and Intellectual Property and only in connection with Your Franchise Business and in accordance with Our Manuals and this Agreement. You understand and agree that the use of Our Confidential Information, Intellectual Property, Marks, System and goodwill are all temporary benefits and expire with the Termination of this Agreement. You expressly covenant that during the term of this Agreement and after the Termination thereof, not to: 1) directly or indirectly contest or aid in contesting the validity of Our ownership of or rights in the Confidential Information or Intellectual Property; 2) in any manner interfere with or attempt to prohibit Our use of the Confidential Information or Intellectual Property and derivatives thereof or any other name trademark or service mark that is or becomes a part of Our System; or 3) interfere with the use of Our Confidential Information or Intellectual Property by Our other franchisees or licensees at any time.

3.3 Use of Marks and System. You have the non-exclusive right to use Our Marks and the System as directed by Us. You shall use only Our Marks licensed by this Agreement and only with the letters "TM", "SM" or "®", as appropriate, approved and as instructed by Us, whenever and wherever such Marks are used. You shall not use Your own name or any other name service or product in connection with any of Our Marks without Our prior written consent. You are prohibited from using any Mark in connection with the performance or sale of any unauthorized service or product. You cannot use the Marks or System in any manner, or otherwise take any action (or inaction) that would or may cause the Marks or the System to be subject to any ill repute or negative publicity. You cannot use the Marks on any intercompany documents to identify Your Franchise Business or entity (Including in or on employee manuals, handbooks, emails, letterhead) or on business checks or bank accounts. All communications with Your employees must be under Your entity name.

3.3.1 Cooperation. You shall execute any and all additional papers, documents and assurances in connection with the Marks as reasonably requested by Us and agree to cooperate fully with Us and any of Our other franchisees or licensees in securing all necessary and required consents of any state agency or legal authority for the use of the Marks or any other name, trademark, service mark, logo or slogan that is now or later becomes a part of Our System. You shall immediately notify Us as soon as You become aware of any infringement or apparent or alleged infringement of the Marks, Our Confidential Information or any part of Our Intellectual Property.

3.3.2 Use in Marketing. The use of the Marks in Marketing is set forth in Article X.

3.3.3 Modification of Marks. We have the right, in Our reasonable discretion, to require You to change, modify or discontinue the Marks or to use one or more additional trademarks, service marks, logos, and/or other symbols in connection with the operation of the Franchise Business. In that event, You must bear the cost of using such additional or modified Marks or items in accordance with Our reasonable directives.

3.3.4 No Registration. You cannot make any application for registration, domain name, or other protection of any of the Marks, or any other trademarks, service marks, symbols, names, slogans, logos, trade names, abbreviation, acronym, or phonetic or visual variation of the Marks, or any items that are similar or derivatives therefrom in any jurisdiction without Our prior written consent and then only upon the terms and conditions specified by Us in connection therewith.

3.4 Copyrights. All right, title and interest in and to Copyright Materials are Our sole and exclusive property and cannot be reproduced or replicated either during or after this Agreement. You have no rights to make any direct or indirect use of the Copyright Materials except as allowed under this Agreement.

3.5 Sole Control. As between You and Us, We will have the sole control over any legal or administrative action concerning the Confidential Information or Intellectual Property. You must promptly notify Us in writing of any claim, demand or suit by any person, corporation or other entity based upon or in connection with any of the Confidential Information and Intellectual Property licensed hereunder in which We have an interest.

3.5.1 Infringement. We are not required to take any affirmative action when We are notified of such uses or claims, and We are not obligated to protect any rights that You have to use the Confidential Information and Intellectual Property, or to protect You against claims of infringement or unfair competition. However, in the event We do undertake the defense or prosecution of any litigation pertaining to any Confidential Information or Intellectual Property, You must execute any and all documents and do such acts and things as may, in the opinion of Our counsel, be necessary to carry out such defense or prosecution. If We fail to undertake action within a reasonable time after receipt of Your notice regarding any such claim, demand or suit, then You may, with Our prior written consent (but You will not have the obligation), undertake the defense of any such proceeding and will do so at Your sole cost and in strict coordination and oversight with Us. You shall not do any act or make any claim which is contrary to or in conflict with Our rights in Our Confidential Information or Intellectual Property. We are not required to defend or indemnify You for expenses or damages if You are party to an administrative or judicial proceeding involving the licensed trademarks.

3.6 Goodwill. All goodwill associated with the Marks and the System belongs exclusively to Us. You acknowledge that valuable goodwill is attached to the Marks and System, and that We have invested and continue to invest time and capital into promoting the System and that such promotion creates goodwill and customer association which benefits Us, You, and all other franchisees in the System. Furthermore, even goodwill associated with the Marks and System that might be deemed to have arisen through Your activities is Our sole property and inures directly and exclusively to Our benefit, except as otherwise provided herein or by applicable law.

3.6.1 Customer Data. All Customer Data is Our sole property and inures directly and exclusively to Our benefit. You have a royalty-free non-exclusive right to use the Customer Data during the term of this Agreement. You must gather, upload, and/or store all Customer Data as required by Us. To the extent that We do not otherwise have access, You must provide Us copies of all Customer Data upon request. You agree to abide by all applicable laws pertaining to the privacy of consumer, employee and transaction information and do-not-contact laws. If We allow You to use the Customer Data to transmit advertisements to customers and potential customers, You are solely responsible to comply with the laws pertaining to calling or texting customers, the sending of emails, or any other transmission of information, Including any anti-spam legislation.

3.7 Fictitious Business Name. You must not use Our Marks or any other name similar thereto in the name of any partnership or entity owned or formed by You, whether to own or operate Your Franchise Business or otherwise. However, within 30 days of signing this Agreement, You must file for a certificate of assumed or fictitious name or a “doing business as” name (“DBA”) using Our Marks as designated by Us, and in the manner required by applicable state law so as to notify the public that You are operating Your Franchise Business as an independent business pursuant to this Agreement and must Include Your assigned franchise unit number in such filing. You must provide Us with a copy of Your dba registration and/or certificate upon receipt of the same and upon Our request from time to time.

3.8 Maintaining Secrecy. You shall: 1) fully and strictly adhere to all security procedures prescribed by Us in Our sole discretion for maintaining the secrecy of Our Confidential information; 2) disclose such information to Your Personnel only to the extent necessary to Market Our products and services and for the operation of the Franchise Business in accordance with this Agreement; 3) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Us; and 4) exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after the term of this Agreement.

3.9 Changes to the System. You shall fully disclose all Innovations to Us, without disclosing the Innovation to others and will obtain Our written approval before using or implementing an Innovation. All Innovations are owned by Us and considered a “work-made-for-hire.” If all or part of any Innovation that You create is for any reason deemed not to be a work-made-for-hire, then You hereby irrevocably transfer and assign to Us or Our affiliate all right, title, interest and ownership, Including license rights, in the Innovation, and You agree to sign (or have the creator sign) any document necessary to effectuate the transfer and assignment. To the extent You have any moral or similar rights in an Innovation or derivative thereof, You expressly waive those rights. Any Innovation may be used by Us and all other franchisees without any

obligation to compensate You. We reserve the right to make application for and own Intellectual Property relating to any Innovation, and You shall cooperate with Us in securing these rights. We may also consider an Innovation as part of Our trade secrets. At Our discretion, We may authorize You to utilize Innovations that may be developed by You, Us, or other franchisees.

3.10 Association with Causes; Co-Branding. You cannot, without first receiving Our written approval, in the name of the Franchise Business or in any manner associated with the Marks: (i) donate money, products, or services to any charitable, political, social, religious, or other for-profit or non-profit organization, cause, or position, or (ii) act in support of or against any such organization, cause, or position. You cannot "co-brand" or use the Marks or Your Franchise Business to associate any other business activity in a manner which is likely to cause the public to perceive the activity to be related to or sponsored by the brand or System.

3.11 Consent to Use of Likeness and Your Franchise Business. You agree that We have the right to use the likeness (Including photographs or videos containing images) of You and Your Franchise Business for any purposes relating to the Marketing of the System or Marks. You agree that no compensation will be due to You for such use.

## ARTICLE IV
## CONSTRUCTION, COMMENCING OPERATIONS AND LEASE

4.1 Location of Premises. You must select a site within the designated search area listed on Exhibit "A-1" ("Search Area"). You understand that the Search Area may not be exclusive to You as We reserve the right to sell franchises or develop an outlet in the Search Area, but We will not sell or develop any units within Your Territory. You must have a site approved by Us within six months of signing this Agreement. Although We must approve Your site, We do not warrant or guarantee the success of the site. You must not commit to purchase or lease any real property or commence construction unless and until You have Our written approval of the proposed location. You must hire and use Our designated local real estate broker familiar with restaurant tenant representation to help you locate a site, unless waived by Us in writing. Your Premises must strictly comply with local zoning and state and federal laws, rules and regulations.

4.1.1 Site Selection Program. We have developed a national real estate demographic site selection program using a national third party vendor. You are required to use Our designated vendor in Your site selection, or other third-party vendor that We may designate. At this time there is no fee payable by You for this service, but that may change in the future. You are required to enter into a separate agreement directly with Our designated vendor to utilize their proprietary services.

4.1.2 Location Approval. We must approve Your proposed site. However, it is Your responsibility, at Your sole cost and expense to select the site within the Search Area. You must provide Us with the street address of the proposed site and such other information as We request, Including, pictures, existing brochures of the proposed site, etc. **We do not prepare demographic studies or otherwise evaluate the need for Our products and services in Your Territory, nor do We provide You with a site checklist or other similar information.** Site approval should be completed by Us within eight weeks after You have submitted a proposed site to Us.

4.2 Lease. A Lease must be in place within six months from the date of this Agreement. We do not assist You in negotiating the Lease; however, You must use Our designated local real estate broker to negotiate the Lease. We have the right to review and approve or disapprove any Lease relating to Your Franchise Business prior to execution, Including the term of the Lease. If We review Your lease, at Our discretion, the scope of Our review may be limited to adherence to Our requirements rather than a review of the underlying terms of the lease. In no way does Our review of the Lease amount to any endorsement or warranty of the Lease. You must also deliver an executed copy of the Lease to Us within 15 calendar days after execution.

4.2.1 Assignment of Lease. You hereby assign and transfer all rights and interest in and to the Lease to Us to be effective upon Our election when this Agreement Terminates or if You do not cure a default under the Lease. In such an event, We will have the right, but not the obligation, to accept the

assignment and assume the Lease or execute a Lease with You as provided below. We also have the right to assign the Lease to another franchisee or affiliate of Ours. Your Lease must include a provision allowing the assignment of the Lease to Us or Our nominee, at Our option, in the event this Agreement is Terminated for any reason and You are required to have Your landlord sign the attached Landlord's consent to an assignment of the Lease before the Lease is signed (Exhibit "A-7"). If You own the Premises, You hereby agree to lease the facilities to Us upon Termination of this Agreement at a rate not to exceed its fair market rental value, and on commercially reasonable terms and conditions.

4.2.2 Assumption of Lease. We will have 15 days from the date of Termination of this Agreement or the termination of Your Lease, or 15 days from the date You do not cure a default under the Lease, to exercise Our right and option to take and assume the Lease for the Premises. If the option is exercised, We will notify You and the Landlord of Our exercise within the option period. In such event, You agree to bring all obligations under the Lease current as of the date of possession by Us as well as to indemnify Us against all losses and costs arising by virtue of, attributable to, or in any way related to the period of Your possession of the Premises. All taxes, utilities and rentals will be prorated between Us and You as of the date of Our possession. We will not be obligated to pay Your arrearages. After the date of possession, We agree to indemnify You against all Lease obligations solely attributable to the period of Our possession of the Premises. You agree that no compensation for the Lease is payable by Us to You unless the Premises are owned by You. The Lease will be transferred to Us without payment of any kind to You by Us for the Lease other than the indemnification provided above.

4.3 Construction. Any construction of the Premises must be done in strict accordance with the specifications approved by Us, but it is Your responsibility to verify that the plans conform to federal, state and local laws. We do not assist in the actual construction, remodeling, or decorating of Your Franchise Business. You are also responsible for obtaining any required permits. You must commence construction within two months from the signing of the Lease, and construction must be completed within 12 months from the date of this Agreement.

4.3.1 Design of Premises. At Your own expense, and unless waived in writing by Us, You are required to follow Our interior and exterior design standards and specifications but are not to be relied upon You in construction of Your franchise business and are for informational purposes only. You must develop Your own working drawings and We must review and approve these plans prior to the commencement of construction.

4.3.2 Setting Up the Premises. You shall arrange the fixtures, signs, furniture, décor, and other items of the Premises in strict compliance with the format and color schemes recommended by Us and to work with Our approved suppliers providing such items. We must approve Your Premises setup prior to opening, and if any elements of the Premises do not meet Our specifications, You will, at Your cost, be required to make the required adjustments.

4.3.3 Abandonment of Construction. Abandonment of construction or stoppage of construction for six or more weeks due to Your fault or neglect will be grounds for terminating this Agreement.

4.3.4 Approval of Construction. You may not operate Your Franchise Business if construction, improvements or any fixtures do not conform to Our approved specifications and failure to correct any unauthorized variance for such plans and specifications within 30 days after written notice from Us will be grounds for Terminating this Agreement. We have the right to supervise and inspect all construction to assure compliance with approved plans and specifications.

4.4 Commencing Operations. You are required to commence operations not later than 45 days following completion of Your Premises and in no case later than 12 months from the date of Your Lease. You must give Us not less than 90 days prior written notice of the opening date. We have the right to inspect and approve Your Premises and other aspects of Your operations relating to Your compliance with this Agreement prior to opening.

4.5 Relocation of Premises. You are not allowed to relocate Your Premises without Our prior written approval. Approval to relocate will be based upon the same criteria used in approving a new franchisee's proposed site. At Our sole discretion, You may be required to attend an initial training program if You choose to move Your Premises. In addition, prior to opening Your new Premises, You will be required to pay for two of Our representatives to visit Your new Premises for up to two days. You are responsible for all fees associated with this visit, plus Our expenses for transportation, food and lodging for each representative. You must demonstrate the financial ability to relocate as part of Our approval process. Additionally, You must pay Us a relocation Fee to cover Our costs to review and approve the relocation. See Exhibit "A-3."

4.6 Failure to Meet Deadlines. If You fail to meet a deadline listed in this Article and fail to cure, or if We cannot agree on a site location, this Agreement is subject to Termination by Us, at Our option without receiving a refund. However, You may be granted an extension at Our discretion if You demonstrate a good faith effort in complying with this Article.

## ARTICLE V
## FEES AND REPORTS

5.1 Initial Franchise Fee. You shall pay Us the initial franchise fee listed in Exhibit "A-3" in one lump sum at the time of execution of this Agreement. The initial franchise fee must be paid by wire transfer or certified check. The initial franchise fee is fully earned by Us and is non-refundable. No rights or privileges under this Agreement exist until the initial franchise fee is paid in full.

5.2 Royalty. You shall pay Us a non-refundable on-going royalty as listed in Exhibit "A-3." The royalty is in consideration of Your right to use Our Intellectual Property and certain Confidential Information in accordance with this Agreement, and not in exchange for any specific services We render. In the event the state where Your Franchise Business is located determines that We are unable to collect royalties on alcoholic beverages sold at your Franchise Business, We have the right to modify the royalty rate to recoup these losses.

5.2.1 Change in Law. In the event there is a change in the law or a discovery of a law affecting the collection of payments to Us, You agree to allow Us to modify the definition of "Gross Sales" and the calculation of other Fees due to Us in order to comply with the law. However, in no event will the modification of the term "Gross Sales" or the calculation of other Fees due to Us result in Your payment in excess of the Fees listed in Exhibit "A-3."

5.3 Marketing Fees.

5.3.1 Creative Development Fund. You must pay Us the weekly Marketing fee listed in Exhibit "A-3" for Our Marketing programs as further described in Section 10.1 below. This fee can be raised by Us up to 2% upon 90 days' notice to You, and up to 4% upon a majority vote of Our franchisees based on the number of franchise units owned by each franchisee. The Creative Development Fund fees are deposited into a separate bank account specifically designated for Our Marketing activities.

5.3.2 Local Marketing. You must also allocate and spend an amount of Your Gross Sales for local Marketing programs every month in Your Territory. The amount is listed in Exhibit "A-3." We reserve the right to increase the minimum local Marketing requirement if We determine, in Our sole discretion, that to do so will be in the best interest of the System, but such increase will not be more than 2% of Gross Sales.

5.3.3 Marketing Cooperative. In the event a local marketing cooperative is formed, You will be required to contribute to the marketing cooperative as established and assessed by the Marketing cooperative. See Section 10.2 below.

5.4 Calculation and Reporting. The calculation, reporting and payment of the Fees specified in Sections 5.2 through 5.3 above will be made as follows:

5.4.1 Gross Sales Report. See Section 5.5 below.

5.4.2 Payments; Due Date. All Fees must be paid in accordance with Our then current electronic funds transfer, ACH or other automatic withdrawal program or as specifically directed by Us. Currently, the Fees as shown and calculated on the Gross Sales Report are due and payable and must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your Operating Account on Wednesday of each week for the previous week's sales (Monday through Sunday). Our current ACH agreement is attached hereto as Exhibit "A-8" and may be modified by Us at any time at Our sole discretion. You must have an active ACH agreement with Us at all times. Before terminating or canceling any active ACH agreement, You must provide a new ACH agreement to Us so that there is no time in which We do not have the ability to automatically withdraw or debit all payments and Fees due and owing to Us. You shall pay all service charges and fees charged to You by Your bank so that We may electronically debit Your bank account. We reserve the right to change the payment due date or require daily payment for any or all Fees in the future. You agree that Your obligation to pay all Fees due under this Agreement are absolute and unconditional.

5.4.3 Operating Account. You may not have more than one Operating Account associated with the Franchise Business and the Operating Account must be with a bank known by Us. If You fail to timely report Gross Sales, We may automatically sweep or debit an estimated amount of Fees due to Us. You shall pay Us any amount owing if We underestimate Your payment to Us and We will credit You with any overage that We charge. You must maintain a minimum of $10,000 in Your Operating Account or have at least a $10,000 line of credit at all times for business emergencies, provided that in any 30-day period, unless You have the required line of credit, the Operating Account may have less than such amount for a period not more than five days. You are required to provide Us with view-only access to Your Operating Account even after You pay royalties and other fees to Us.

5.4.4 Late Fees; Insufficient Funds Fee. You will be charged a late Fee if a required Fee, payment to Us or an affiliate, or report is not timely received by Us or an affiliate, and You will be charged per bounced check or insufficient funds transfer. See Exhibit "A-3." In addition, there is a Fee for changing banks or if You open a new or additional Operating Account without prior notice to Us See Exhibit "A-3." These Fees are due within 10 days of notice to You. These amounts may be adjusted by Us from time to time in the Manuals.

5.4.5 Interest. In addition, all Fees not paid when due will be assessed and accrue interest from the due date to the date of payment, both before and after judgment at the rate of 18% per annum or the maximum rate allowed by law, whichever is less. In no event will any amount be charged as interest or late fees that otherwise exceeds or violates any applicable legal restrictions. Unpaid interest charges will compound annually.

5.4.6 Sales or Use Tax. If there is hereafter assessed any nature of sales tax or use tax or other value added tax on Fees that You pay to Us You shall also pay Us the applicable tax when invoiced.

5.5 Reports and Financial Statements. You must submit the following reports by the following due dates. We reserve the right to require all reports to be submitted at more frequent intervals. If you fail to submit to Us any of the required reports identified in this Agreement for two or more consecutive reporting periods, We may issue a fine for Your failure upon written notice to You. (See Exhibit "A-3"). We may remove this fine after You have complied with Our accounting procedures.

| TYPE OF REPORT | DUE DATE | REMARKS |
|---|---|---|
| Gross Sales Report | Each Monday by 5:00 pm MT | Must Include gross weekly sales, inventory and labor expenses, and other information as required by us. |
| Monthly Profit and Loss Statement | The 10th day of the following month, or as otherwise designated by Us | This must be prepared by your accountant. |
| Local Marketing Report | The 10th day of the following month, or as otherwise designated by Us | This report must be submitted in the format We may require. |

| TYPE OF REPORT | DUE DATE | REMARKS |
|---|---|---|
| State Sales Tax Return | Annually, within the earlier of 30 days of your filing or the filing due date | Must be provided quarterly or monthly, whichever frequency for payment is required by your state. |
| State and Federal Tax Return | Annually, within the earlier of 30 days of your filing or the filing due date | |
| IRS Form 941 (Employer's Quarterly Federal Tax Return) | Quarterly, within the earlier of 30 days of submission or the filing due date | |
| Other Reports | Upon request | Those additional reports that We may from time to time require, Including sales and cost data and analyses, advertising budget, expenditures, etc. |

5.5.1 Access and Use of Financial Records. We or Our certified public accountants or other duly authorized agent have the right during normal business hours to conduct computer and other audits and to examine and make copies of Your books, records, financial statements and sales and income tax returns, and You must keep complete and accurate books and records of the operation of Your Franchise Business. You shall provide Us with access to, or copies of, all financial records in the time We require. We are not required to give You advanced written notice of an audit.

5.5.2 Audit of Books and Records. If any audit or investigation discloses a deficiency of 2% or more of the Gross Sales in the computation or payment of Fees due to Us, You shall immediately pay Us the amount of the deficiency, the appropriate Fee for late charges, and You shall reimburse Us for the total expense of the audit or investigation, Including the charges for the accountant and the travel expenses, room, board, and other costs incurred in connection with the audit. Your failure to report Gross Sales for any period, or Your failure to retain and have available in a readable and organized manner all required records will be deemed an understatement by more than 2%.

5.6 Application of Payments. We can apply any payments received from You to any past due or then current indebtedness of Yours for any payments owing to Us.

5.7 No Refunds. The Fees set forth in this Agreement are not refundable.

5.8 Funding. You are solely responsible for obtaining all funding necessary for opening Your Franchise Business. Failure to obtain sufficient initial funding for operating Your Franchise Business is grounds for termination of this Agreement.

5.9 Non-Compliance Fines. In Our sole discretion, as an alternative to placing You in default, as determined on a case-by-case basis, Including for failure to cure a prior default even if a fine has been imposed, We may issue you a fine or fines for certain violations of this Agreement and/or the Manuals. See Exhibit "A-3." The fines are set forth in Our Manuals and are paid to Us to reimburse Us for Our administrative and management costs for Us to address the violation and is not a penalty or estimate of all damages arising from Your breach. If You do not correct the violation within the time required by Us, We have the right to put You in default. We are not obligated to charge You a fine before putting You in default. All fines and charges are to be paid upon billing or in accordance with Our electronic funds or automatic withdrawal program, if established. These fines are paid to Us to reimburse Us for Our administrative and management costs for Us to address the violation, are not a penalty or estimate of all damages arising from Your breach, and are not Our sole remedy. Our decision to impose, or not to impose, a fine for Your non-compliance does not constitute a waiver of any other right that We may have under this Agreement, Including Termination of this Agreement.

5.10 Technology Fee. You must pay Us the monthly Fee listed in Exhibit "A-3" for utilization of Our required technology suite. We can designate You to pay all or a portion of this Fee directly to the supplier and/or Us. This Fee currently includes the following: Wingers Academy, quality assurance inspections, and other System-related functions. We may increase this Fee to account for new or additional technologies and increased costs.

## ARTICLE VI
## FRANCHISEE'S OPERATIONAL COVENANTS

6.1 Business Operations. In addition to other obligations, requirements and covenants set forth in this Agreement.

6.1.1 Compliance with Applicable Laws. You are solely responsible for ensuring compliance with all applicable laws, ordinances, and regulations or ruling of every nature whatsoever which in any way regulate or affect the operation of Your Franchise Business. You must also comply with federal, state, and local health and consumer protection laws and regulations governing the food service industry and concerning food preparation, handling, storage, truth in menu laws concerning menu item names and product labeling, nutritional claims, and local labor regulations, Including, minimum age and minimum wage laws. You shall obtain and maintain all required permits and licenses for the operation of Your Franchise Business. As between Us and You, You are solely responsible for the safety and well-being of Your Personnel and the customers of the Franchise Business.

6.1.2 Appearance; Customer Service. You shall establish and maintain the Premises in a clean, attractive, and repaired condition; perform work competently and in a workmanlike manner; give prompt, professional, courteous and efficient service to the public adhering to the highest standards of honesty, integrity, fair dealing, and ethical conduct; and otherwise operate Your Franchise Business in strict compliance with Our System, policies, practices and procedures contained in the Manuals or otherwise communicated to You so as to preserve, maintain and enhance the reputation and goodwill of Our System. You must promptly respond to all complaints received from Your customers or other individuals and to resolve the complaint in a reasonable business manner. If We are contacted by a customer of Your Franchise Business who lodges a complaint, We reserve the right (but are not required) to address the customer's complaint to preserve goodwill and prevent damage to the Marks. Nothing in this Section or in any other provision of this Agreement is to be construed to impose liability upon Us to any third party for any of Your actions or obligations. We reserve the right to require that Your Personnel comply with any dress code, Mark, or other brand-related standards that We may require. You shall arrange the fixtures, signs, furniture, and décor of the Franchise Business in strict compliance with the format recommended or required by Us. You agree to develop Your own construction drawings, at Your expense, for the construction of Your Premises. However, We must approve any drawings before You commence construction.

6.1.3 Signage. You must have the number of interior and exterior signs required by Us and according to Our specifications. All signs to be used on, in or in connection with Your Franchise Business must meet Our specifications and must be approved in writing by Us prior to use by You. You shall maintain all signs in good condition and to undertake such repairs and or replacements at Your expense as We reasonably determine to be necessary. You understand and acknowledge that although You are required to purchase and display signage, Including signage displaying Our Marks, You do not own rights to use of the signs following Termination.

6.1.4 Training. Your Operating Principal and up to three of Your designated managers are required to attend and successfully complete Our training program at least six weeks prior to opening Your Franchise Business. The length of training is generally 12 weeks but could be longer if Your Operating Principal or Your managers fail to successfully complete the training. Successful completion will be determined by Our trainers but may Include demonstrating knowledge of basic policies techniques, knowledge of policies and procedures, food preparation and assembly, daily operations, record keeping, computer system competency, Marketing, and customer service. Failure to successfully complete initial training is a default of this Agreement. The training instruction is provided by Us without charge to You for up to four persons. As determined by Us, in Our sole discretion, You may have additional trainees attend the same initial training for a Fee listed in Exhibit "A-3." Each person must attend the same training session You must cover the travel, food, and lodging costs as well as compensation for Your attendees.

(i) Replacement Training. Any new Operating Principal or managers must complete the initial training program within 60 days of hire and You must pay Our replacement training fee and

must be paid in advance of the training (see Exhibit "A-3"). Depending on availability and advanced written notice, this training may take place at Your location, but more likely the training will take place at or near Our headquarters or at an affiliate's location. You must also cover the travel, food, and lodging for Your attendees or Our representatives, as applicable.

(ii) Manager Certification Program. We have instituted a Management Team certification program. The Management Team positions are general manager, kitchen manager and assistant manager ("Management Team"). All members of Your Management Team must successfully complete the certification program. This certification program addresses several areas of running a franchise business. These areas Include: knowledge of basic policies and procedures, minor equipment assembly, customer service, equipment maintenance and sanitization, daily operations, food preparation, record keeping, basic accounting techniques and ability to train employees. This certification program lasts approximately nine months. As further set forth in the Manuals, during the certification program, We will provide our initial training program, observe Your proposed Management Team member's performance, and evaluate Your Franchise Business operations. During the certification program, Your proposed Management Team member will serve in an interim capacity until We have certified or denied certification. We may deny certification to Your proposed manager at any time during the certification program as further specified in the Manuals. Although You may continue to employ an individual who is denied certification, he or she may not serve as a member of Your Management Team, unless he or she passes Our certification program. We reserve the right to observe and evaluate Your Management Team from time to time, and We reserve the right to require recertification at any time. You must also pay the expense of travel, meals, lodging, and other related costs for such training.

(iii) Additional In-Person Training. Depending on our availability and advanced written notice, if you would like additional in-person training, we may provide this training to you. We can limit additional training to a certain number of days, attendees, and/or representatives at a time. After operating Your Franchise Business for 12 months, We, as determined in Our sole discretion, may require You and/or Your managers attend additional training at Our headquarters for a Fee. We can also require Your Operating Principal and/or other key personnel to attend additional trainings if You are in default or if You do not pass an inspection. You shall also bear the costs of travel, food, lodging and compensation of Your attendees or Our representatives (as applicable) in connection with this training as well as pay Us a fee which is due upon billing (see Exhibit "A-3").

(iv) Non-Disclosure. All attendees at a training must sign a non-disclosure agreement acceptable to Us before attending training.

(v) Rescheduling Fee. You shall pay Us the rescheduling Fee listed in Exhibit "A-3" if You cancel, postpone, or reschedule any training or assistance within seven days of the scheduled date, or if You fail to complete certain requirements prior to a training.

6.1.5 Opening Assistance. You must provide Us a valid certificate of occupancy for the Premises before You can open Your Franchise Business and before We send any representatives to provide any opening assistance. If You postpone or reschedule Your opening, or if You fail to provide a valid certificate of occupancy before the scheduled opening training, You must pay Us the rescheduling Fee listed in Exhibit "A-3". Additional details on the opening assistance are set forth in Paragraph 7.3.1 below.

6.1.6 Other Agreements. You must execute all other agreements required under this Agreement or as reasonably requested by Us from time to time and to provide Us with a copy within 15 days of execution.

6.1.7 Management. Your Franchise Business must be managed by either Your Operating Principal or a designated manager who will be required to devote their full time (at least 40 hours per week), attention and best efforts to the management and operation of Your Franchise Business. You must disclose the identity of Your Operating Principal and general manager to Us, and You must immediately notify Us in writing if Your Operating Principal or general manager is no longer acting in such capacity. We must approve of Your Operating Principal and any replacement Operating Principal.

(i) Unless Your Operating Principal acts as the full-time manager of the Franchise Business, Your Operating Principal is not required to work a certain or minimum number of hours; however, Your Operating Principal must maintain sufficient inventory, supplies and products work sufficient hours to operate Your Franchise Business or supervise Your managers and employ adequate Personnel to operate Your Franchise Business at its maximum capacity and efficiency. You must have at least one trained general manager or the trained operating principal on site during regular business hours. Your Operating Principal must be Your principal contact person with Us.

(ii) Although We do not require Your Operating Principal to be involved in the day-to-day on-premises management, Your Operating Principal is required to participate in Your Franchise Business as follows: (i) be directly responsible for overseeing all accounting, reporting and bookkeeping, and all financial components of the Franchise Business; (ii) attend and complete all training and retraining courses required by Us; (iii) attend any annual or special meetings of franchisees called by Us; (vi) be directly involved with site selection, construction, and Updates, (v) be directly involved in all Personnel decisions affecting the Franchise Business; and (vi) conduct frequent inspections of the Franchise Business operations to ensure the highest standards of professionalism, cleanliness and general pleasant appearance, in compliance with Our approved methods.

(iii) Your Operating Principal must devote their primary attention to the Franchise Business, and You, Your Operating Principal and Your manager(s) must keep free from any conflicting or competing enterprises or any other activities that would be detrimental to or interfere with the operation of Your Franchise Business.

6.1.8 Management Team Incentive. We have found that success and profitability are significantly impacted by on premises management's interest in the Franchise Business. Accordingly, We require that You maintain at least a three-member Management Team. Although We do not require Your designated managers to be owners of Your entity or Your Franchise Business, it is essential that the Management Team have a vested interest in successful and profitable operation of the Franchise Business. Therefore, We require that you institute an incentive program for Your Management Team. You are free to structure the program as You reasonably determine, but the program and Your Management Team's total compensation must be in accordance with the incentive program's purposes.

6.1.9 Operational Hours. You shall operate Your Franchise Business seven days per week throughout the year and at the hours We may designate.

6.1.10 Remodel and Upgrades. You are required to Update Your Franchise Business and Premises from time to time as We may reasonably direct, but not more often than every five years, and We will not obligate You to invest additional capital at a time when the investment cannot in our reasonable judgment be amortized during the remaining term of this Agreement (except for required changes to the Marks, or changes due to the health or government mandates, guidelines, or public concerns, which We may require at any time). This can Include structural changes, new flooring, wall treatments, signage remodeling, redecoration of the furnishings, fixtures and décor, and such modifications to existing improvements as may be reasonably necessary, such that all locations will have a generally similar look, appearance and capabilities. We may also require You to invest in new or updated equipment and technology at any time. You acknowledge that this obligation is reasonable and necessary to ensure continued public acceptance and patronage to Our brand and to avoid deterioration or obsolescence in connection with the operation of Your Franchise Business. You acknowledge that this obligation is reasonable and necessary to ensure continued public acceptance and patronage to Our brand and to avoid deterioration or obsolescence in connection with the operation of Your Franchise Business. You shall also complete any day-to-day maintenance issues as they occur. You must complete all such Updates within six months of notice from Us. In the event You relocate Your Premises to a new approved location, or sign a Successor Franchise Agreement, You must bring Your new Premises up to Our then-current standards.

6.1.11 Your Personnel. You, Your principals, and Your Personnel are not Our employees or independent contractors. You are solely responsible for the hiring, firing, discipline, scheduling, management, compensation, supervision, assignment of duties, directions governing the manner, means, and method of the

performance of duties, work rules, safety, working conditions, and training of Your Personnel. We do not assist You in employment-related decisions, or in creating any policies or terms and conditions related to the management of Your Personnel or their employment. We may provide You with an employee guide or manual, but it will only be a sample of certain employment matters that You may choose to adopt or not. You must use Your own discretion on what policies to implement for Your Personnel based on Your own circumstances and management decisions. The sample manual is not edited or reviewed frequently to stay up to date with current or state specific employment laws and some policies may be outdated or conflict with current existing state or federal employment laws. You must seek Your own legal counsel to determine those policies that are legally compliant with current employment laws in Your state to draft Your own employee handbook. You must seek Your own legal counsel to determine those policies that are legally compliant with current employment laws in Your state to draft Your own employee handbook. It is Your responsibility to comply with local and federal labor and employment laws. You further agree that in any office, break room, or other non-public area accessed by Your Personnel, You will post a sign or other document containing language we require explaining the differences between You, their employer or contractor, and Us, Your franchisor.

Your Personnel must execute Our Personnel Brand Protection Agreement (see Exhibit "A-6"). You are responsible to conform it to the laws and regulations of Your state.) You shall promptly deliver a copy of all such agreements to Us within 10 days of hiring of the respective Personnel. You must also have each of Your Personnel sign Our then-current form of the Franchise Relationship Acknowledgement attached as Schedule "A-6.1" to Exhibit "A-6."

6.1.12 Insurance.

(i) Minimum Limit Requirements. You shall at all times during the entire term of this Agreement and at Your own expense keep in full force, by advance payment(s) the following minimum insurance policies obtained from a company rated "A" or better by A.M. Best & Company, Inc.

| **Type of Insurance** | **Minimum Required Amount(s)** |
|---|---|
| Commercial general liability insurance | $1,000,000 per occurrence and $3,000,000 in the aggregate, or leasehold minimum, whichever is greater |
| Property insurance | 100% of the full replacement cost against loss or damage from fire and other risks normally insured against in extended risk coverage |
| Commercial automobile insurance | At least $1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage) |
| Business interruption insurance | To recover lost income in the event Your Franchise Business is unable to operate for a period of time covering at least 75% of Your annual revenue or the actual loss sustained, whichever is greater |
| "Crime policy" | $100,000 (written on a loss discovered basis) |
| "Abuse and molestation" coverage | $1,000,000 per occurrence and $2,000,000 in the aggregate |
| Liquor legal liability or "Dram Shop" Insurance | $2,000,000 per occurrence |
| Data Breach & Cyber Security Breach Insurance | $1,000,000 per occurrence and $2,000,000 aggregate |
| Umbrella insurance | $1,000,000 |
| Government Required Insurances | All worker's compensation and employment insurance on Your employees as required under all federal and state laws. |

(ii) Policy Requirements. Other than worker's compensation, these policies must insure You and Us [Winger's Franchising, Inc. at 3950 South 700 East #302, Salt Lake City, Utah 84107] and Our nominees as additional insureds, without regard to any other insurance program that We may have in effect, against any liability that may accrue by reason of or relating to Your ownership, maintenance, or operation of the Franchise Business wherever it may be located. Your insurance is primary and non-contributory. Any insurance obtained by Us is solely for Our benefit and not for the benefit of You or Your Franchise Business. These policies must include a waiver of the insurer's right of subrogation against Us and provide coverage for Your indemnification obligations under this Agreement. These policies must stipulate that We will receive a 30-

day written notice prior to renewal or termination, and We must receive a 30-day notice of any modifications. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Us must be furnished to Us together with proof of payment prior to You beginning operations and within 15 days of any request which We may make from time to time.

You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate. If You fail to obtain insurance and keep the same in full force and effect, We may obtain insurance at Our discretion, and You must reimburse Us the premium costs, plus an administration Fee for Our time (see Exhibit "A-3"). We may periodically increase the amounts of coverage required and/or require different or additional coverage. We have the right to require that You obtain from Your insurance company, and subsequently provide to Us for Our review, a report of claims made and reserves set against Your insurance (commonly known as "loss runs"). If Your Premises are damaged and covered by insurance, You must use the proceeds to restore the facility to its original condition no later than 160 days from receiving the proceeds.

(iii) Continuation of Policy. Regardless of the amounts We state above, it is Your responsibility to maintain adequate insurance coverage at all times during the term of and after the expiration of this Agreement, so that coverage, Including any policies that are on a "claims-made" basis, which through the purchase of an extended reporting endorsement (i.e., "tail" insurance) will be in effect for acts or omissions that occurred prior to the termination of the policy and are reported within a 24-month period following the end of the policy period.

6.1.13 Pricing. We may to the degree permitted by law, suggest retail prices and specify maximum and/or minimum pricing You may charge for products and services. If We impose a maximum price for any product or service, You may charge any price for the product or service up to and Including, the maximum pricing We impose, but You may not charge any price in excess of the maximum pricing. If We impose minimum pricing for any product or service, You may charge any price down to and Including, the minimum pricing imposed, but You may not charge any price below the minimum pricing set by Us. Unless otherwise agrees to by Us in writing, You cannot advertise or promote prices lower than, or inconsistent with, Our suggested prices outside of Your Premises. Our pricing policies are intended to benefit the System as a whole and may not maximize Your profits.

6.1.14 Computer and POS System. At Your expense, You must purchase or lease the computer and point of sale ("POS") system and other computer hardware and software systems designated by Us in strict accordance with Our specifications, and We can mandate the forms of payment that You can or must accept. If We adopt a different computer system, POS system or other system in the future, You must adopt it at Your expense. You must maintain, repair, modify and upgrade, all such items, at Your sole expense. You must provide Us full 24 hour/7 day a week access, Including, online access, and the right to "upload" or "download" information to and from all computer and other systems and to the information and data contained in them. We can require that You to obtain a static IP address from Your internet provider. There is no contractual limitation on Our right to receive information through Your computer, POS or other systems or to the frequency and cost of the obligation to upgrade and maintain them. You hereby waive any claim against Us or Our affiliates for any loss, damage, liability, or expense caused by or related to failures, errors, acts, omissions or otherwise of any computer, POS, hardware or software system (not related to Our or an affiliate's acts or omissions). We reserve the right to change software programs in the future, and You must immediately comply with any change at Your expense.

(i) Retention of Records. You must record all sales at the time of the sale in Your computer and/or POS system, or other sales recordation system approved or designated by Us. You must have high speed broadband Internet access at the levels required in the Manuals. You must retain all POS and computer records, charge account records, sales slips, orders, return vouchers, sales tax reports and all Your other business records and related back-up material, tax returns and financial reports for at least five years following the end of the year in which the items pertain, Including after the Termination of this Agreement. Any data collected or provided by You, downloaded from Your POS System, or otherwise collected from You by Us or provided to Us, is and will be owned exclusively by Us, and We have the right to use the data in any manner without compensation to You. During the term of this Agreement, You are licensed, without additional

compensation, to use such data solely for the purpose of operating Your Franchise Business. This license will automatically and irrevocably expire, without additional notice or action by Us, when this Agreement Terminates.

(ii) Accounting Systems. You must use and pay for the accounting software designated by Us. You are required to follow Our accounting procedures, line items, and templates and charts of accounts as provided and updated in Our Manuals. You shall provide Us with independent, view-only access to Your account.

(iii) Merchant Account. At Your expense You must participate in Our merchant account, and other point of sale programs as set forth in Our Manuals.

(iv) Security System. You are required to install a security system in Your Premises. You are solely responsible for the monitoring, maintenance and upgrades to this system. You will not be required to provide Us with independent access to the security system. We do not regulate the type of security system you install, but it must be of sufficient capabilities to adequately protect Your Franchise Business, Your Premises and Your inventory and it must provide storage capabilities as required in Our Manuals, and should have interior and exterior cameras. You may not install any cameras in places where Personnel and customers have a reasonable expectation of privacy, e.g., bathrooms, changing rooms, etc. You are required to provide Us notice of its installation. By installing the security system, You and Your Personnel are waiving their right to privacy in non-private areas of the Premises, and You agree to include a provision in all Your employment applications requiring Your Personnel to waive their right to privacy with respect to any security system in non-private areas of the Premises. You agree to indemnify and hold Us harmless from and against any claim related to Your security system.

(v) Data Security Standards. At Your cost and expense, You must investigate and ensure that You comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements; however, We reserve the right to approve of the supplier You use for compliance. You must meet the requirements of, and comply with enhancements and changes to, the PCI and DSS and maintain PCI compliance with the current version of the PCI and DSS. We reserve the right to require an audit (and to designate the auditor) to verify compliance. You must reimburse Us for all costs related to the audit if You are not in compliance. You are responsible to use all required tools, systems, and vendors to complete ongoing PCI requirements, Including quarterly external security scans and annual self-assessment questionnaires. You are solely responsible for all costs relating to PCI compliance and data security issues, Including, security threats, breaches, and malware. It is Your responsibility to alert Us, not later than 24 hours following a suspected or confirmed data security breach, so that appropriate action can be taken to protect customer data and notify relevant parties. You are not permitted to collect, store, transfer, etc., any unnecessary customer information.

6.1.15 Conferences and Seminars. At Our discretion, We may hold conferences or seminars on a regional or national basis for all franchisees in good standing. The conferences and seminars may be held at various locations chosen by Us. If any conference or seminar is held, You may be required to attend, and You must pay all Fees (see Exhibit "A-3") and all travel, lodging, food, and other expenses for each of Your attendees.

6.1.16 Business Plan. You are required to provide to Us an initial business plan within 60 days prior to the opening of Your Franchise Business. In addition, You are required to annually update Your business plan and submit the updated plan to Us within 90 days after Your fiscal year end.

6.1.17 Required Software; Technology. You must use and pay for all software and other technology and platforms as required by Us, which may be changed from time to time. You must input all required information into Our designated software and platforms as set forth in Manuals. You must follow all laws and regulations in storing Customer Data and in submitting information to Us.

6.2 Quality Control.

6.2.1 Correction of Defects. You shall immediately correct defects, deficiencies or unsatisfactory conditions in the appearance or conduct of Your Franchise Business. You shall establish and maintain an image and reputation for Your Franchise Business consistent with the standards set forth in this Agreement, in the Manuals, or as otherwise specified by Us.

6.2.2 System Compliance. You shall strictly follow Our System, the Manuals, Recipes, formulations, and other directives promulgated or provided by Us from time to time.

(i) Email Address. You must at all times use and maintain the email address provided by Us or approved by Us for use in relation to Your Franchise Business, frequently checked by You to facilitate Our communications, and that You must use as the sole email for all Franchise Business-related communications and accounts. If We provide You with an email account/address, such email account belongs to Us, and We have the right to access Your email account at any time and without notice to You, and You understand and acknowledge that You have no expectation of privacy in the assigned email accounts. We also have the right to issue You a different email account/address at Our sole discretion. All Social Media You develop, or use must be attached only to the email address We provide to You or that is approved by Us.

(ii) Incentive Program. If We adopt a loyalty, coupon, gift card/certificate, free giveaways, fundraising programs, membership subscription model, or other discount or incentive program, You are required to implement and honor such programs in Your Franchise Business. You are not allowed to implement any sort of coupon, loyalty, subscription model, fundraising program, gift card program, etc., without Our prior written permission. The method of sales and pooling and reconciling the funds for all such programs will be determined by Us at Our sole discretion as set forth in the Manuals. We have the right to charge a monthly fee for Your use of any incentive program (see Exhibit “A-3”).

(iii) Modifications. We have the right to modify, delete, add to and otherwise make systematic and other changes to the System, Intellectual Property, Manuals and operations, etc. We may issue new specifications and standards for any aspect of Our System, or modify existing specifications and standards, at any time by revising Our Manuals and/or issuing new written directives (which may be communicated to You by any method We choose). You must accept, comply with, use and implement and display all such changes to the System or operations. The modifications may obligate You to invest additional capital in Your Franchise Business and to incur higher operating costs. You must incorporate all such modifications within the time that We specify. You are prohibited from making modifications to the System or Your Franchise Business without Our prior written approval.

(iv) Inspections and Visits. We may conduct periodic evaluations, inspections, and audits of any or all aspects of Your Franchise Business at reasonable intervals by Our duly authorized representative for compliance with the System, reporting, customer service and the standards and procedures set forth in the Manuals. These inspections may be conducted in-person or through remote access such as video or live video conferencing. We may conduct inspections without prior notice to You. Our inspections may Include Your Premises, business-related vehicles (if any), business records, bank accounts, Venmo (and the like), operating procedures, reports, computer drives electronic storage devices, POS system, account records and tax records, etc., related to the Franchise Business. We also have the right to speak with and interact with Your Personnel, and customers, and to remove samples of products, supplies and materials. Immediately upon Our request You must provide to Us video and/or images of the interior and exterior of Your Premises, and any specific pieces of equipment or other areas of the Premises and business vehicles as may be more fully set forth in the Manuals. If You fail any inspection, and We determine the need to conduct a re-inspection to ensure compliance, You must reimburse Us Our travel costs for the re-inspection upon Our billing to You. In the event You do not pass an inspection, We can require You to attend additional training. Our current Fee for additional training is listed in Exhibit “A-3.” You must also cover the travel, food, and lodging for Your attendees or Our representatives, as applicable for additional training.

(v) Online Ordering and Delivery. You must participate in any online ordering program for takeout or delivery, whether provided by Us or one or more third parties designated by Us. You shall not participate in any third party delivery platform unless approved by Us. You must use all required software or other equipment required by Us or any such third party necessary to provide the services as designated and as may be updated, supplemented or changed. You shall also provide Us with any login information necessary to access any third-party delivery accounts, and You agree that We will have unrestricted access to review the information in such accounts at any time. Any such software or equipment must be purchased by You at Your cost. You understand and acknowledge that any third party providers may also charge fees or commissions for their services, and You shall pay all such costs or fees.

(vi) Customer Complaints. In the event We step in to resolve any customer dispute with You or the Franchise Business, We will charge a Fee (see Exhibit "A-3").

6.2.3 Interim Management. If We give You notice of default and You fail to cure (or as set forth in Section 14.9), We have the right at Our sole discretion (but not the obligation) to step in to manage Your Franchise Business for up to six months We deem advisable, for a Fee See Exhibit "A-3." This Fee reflects the estimated fair market value of Our services. You shall also pay all travel, lodging, food and other expenses for Our representative(s) and other expenses that may be incurred by Us to perform such services, plus royalties, advertising fees and other applicable fees.

(i) Operations, Access to Information and Operating Account. During the Interim Management Period, You hereby grant Us authority to assist You in managing any or all aspects of Your Franchise Business. We will work directly with Your Operating Principal and Your manager, and We may require additional training for Your Operating Principal, Your manager, and Your Personnel. You shall cooperate to provide Us with all pertinent information regarding Your Franchise Business and access to the applicable operating accounts to enable Us to efficiently assist with management operations. All accounts must remain in Your name during the Interim Management Period, but You shall add Us or Our representative as a co-signer on certain accounts. You hereby grant Us permission to speak directly with Your landlord and suppliers, banks, IRS, state agencies, creditors, etc., regarding Your Franchise Business, and You shall cooperate with Us to facilitate such communication. We may require You to establish a new bank account for Your Franchise Business during the Interim Management Period into which all operating income will be deposited. You and We (at Our option) will have authority over this account, and You or We will make payments on Your accounts payable as cash is available, but only with Your prior authorization and direction when possible. You are ultimately responsible for all operating costs before, during, and after the Interim Management Period. You shall provide Us with a list of all accounts payable with direction on which accounts are to be paid, but with the understanding that all taxing authorities will be paid first. Any excess funds in the Operating Account or any new account after all applicable costs and Fees have been paid and after an additional amount has been set aside sufficient for the Franchise Business to fulfill its business purposes as determined by Us, will be transferred to You monthly. We may provide monthly internal profit and loss statements to You. We have no obligation to infuse capital into Your Franchise Business, but if We do, such amounts will be treated as a loan, which must be repaid within an agreed upon time and bear market interest as agreed. We have the right to direct Your Personnel during the Interim Management Period. Both You and We agree that in no way does Our interim management create a relationship of trustee, beneficiary or any type of fiduciary relationship over or in relationship to Your Franchise Business.

(ii) Your Obligation to Cure. During the Interim Management Period, You are obligated to cure all applicable defaults within the applicable cure periods as set forth in this Agreement. We have the right to terminate this Agreement during the Interim Management Period for defaults not cured within the applicable cure periods.

6.2.4 Mystery Shopper Service. We reserve the right, from time to time, at Your expense and without prior notice to You, to evaluate the operation and quality of Your Franchise Business through the use of a secret shopper service provided by Us or third-party. You are required to immediately pay all invoices for such services directly to the third-party provider. We may use such service evaluations to inspect Your Franchise Business at any time, without prior notification to You. We may make the results of any service

evaluation available to You, in Our sole discretion. If We institute this mystery shopper program, there will be a monthly per-restaurant charge for this service.

6.3 Miscellaneous Obligations.

6.3.1 Personal Guarantees. Each Owner of Your Franchise Business, respectively, who own 20% or greater interest, must each personally sign the Guaranty and Assumption of Obligations attached as Exhibit "A-4" to this Agreement.

6.3.2 Drug Testing. We may require You and Your Personnel to submit to random drug testing at the time and place We feel necessary to ensure Your compliance with Our policies regarding drug use in the System; however, We are under no obligation to perform such testing on Our or Your behalf. You are required to provide Us a copy of all drug testing results within 30 days from the time You receive such test results.

6.3.3 Vending Machines. No vending machine, cigarette machine, amusement devises, juke boxes, or other devices of similar nature, whether or not coin operated, are allowed to be installed or used on the Premises without Our prior written consent.

6.4 Standards and Control. Any required standards exist to protect Our interest in the System and the Marks and not for the purpose of establishing control or duty to take control over those matters that are reserved to You in the day-to-day operation of Your Franchise Business.

6.5 Required Notices. You shall provide Us with prompt notice (within five business days of receipt) of any default with regards to late payment of any taxes, government fines, payments owing to any vendors, landlords, or amounts owing to Personnel.

6.6 Non-Contravention; Non-Disparagement. You shall not undertake any action or inaction to circumvent, contravene, or undermine the purposes of this Agreement. Additionally, during and after the term of this Agreement, You shall not make any negative, disparaging, false or misleading statements, published or made orally, in any form or medium about Us, Our officers, owners, partners, directors, members, managers, representatives, agents or employees, the brand, the System, Our products and services, or other franchisees.

6.7 Non-Delegation. You may not outsource to a third party, any part of Your obligations to Us or services to customers, Including to another franchisee, without Our prior written approval.

## ARTICLE VII
## FRANCHISOR'S OPERATIONAL ASSISTANCE

7.1 Layout and Design. We shall provide You with general specifications for the Premises layout, signs, equipment and interior décor.

7.1.1 Suppliers and Products. We shall provide You with a list of specifications for approved products and a list of approved suppliers. We may add to or discontinue working with any of Our suppliers.

7.2 Operations Assistance. We shall furnish You with guidance relating to the general operation of Your Franchise Business and upon Your reasonable request, make Ourselves reasonably available to consult with You by telephone, email, video conference, teleconferences, or website posting during regular business hours during the continuing operation of Your Franchise Business. We are not required to provide additional training to You. If You feel additional training is necessary (such as management training or motivational training for staff), We may provide such training to You based on advance notice, availability of Personnel and Your payment of a per day, per person, Fee. See Exhibit "A-3." You shall be responsible to cover the cost of travel, food, wages, lodging and other costs incurred by Your trainers or Our representatives as applicable. We have the right to communicate directly with Your Operating Principal, designated managers, and assistant managers concerning operational matters that We reasonably believe may affect Our goodwill, Marks, or the System. We can limit this assistance to a certain number of days, attendees, and /or

representatives at a time.

7.3 Initial Training. We shall provide an initial training program for Your Operating Principal and other attendees in the various practices, policies and procedures for operating a Franchise Business. This training will take place in Salt Lake City, Utah or in another location as designated by Us. The training program is described in Paragraph 6.1.4.

7.3.1 Opening Assistance. We will provide You with 12 days of on-site pre-opening and opening assistance to You at no additional charge; however, You are required to cover Our representatives travel, food and lodging expenses.

7.4 Additional Guidance. Additional guidance, at Our sole discretion, will be furnished in the form of written Manuals, videos, audio recordings, bulletins or other written materials.

7.5 Website Maintenance. We may choose to maintain a website for the Wingers® brand that will Include Your business information for Your location and while We maintain the website, You shall pay use a monthly fee for Our maintenance of the website (see Exhibit "A-3.")

7.6 Non-Compliance. We may deny any or all of the above services to You while You are in default of this Agreement or any related agreement with Us or an affiliate.

## ARTICLE VIII
## PURCHASE OF PRODUCTS

8.1 Approved Products and Services; Suppliers. You shall purchase, use, provide, carry, and sell only those goods and services that meet Our specifications and/or that are purchased from Our approved suppliers. You shall timely pay all suppliers, Including Us and Our affiliates for purchased goods and services. The prices, delivery terms, terms of payment, and other terms relating to the sale of such goods and services are subject to change by the supplier (Including Us and affiliates) without prior notice at any time. In no event will We or an affiliate be liable to You for unavailability of or delay in shipment or receipt of merchandise due to temporary product shortages or unavailability, order backlogs, production difficulties, delays in or unavailability of transportation, fire, strikes, work stoppages, or other such causes. A list of approved goods, services, and suppliers may be set forth in Our Manuals, which list We may update from time to time. No goods or services may be added to, altered, or discontinued by Your Franchise Business unless it is first approved by Us in writing. Any additional goods or services that are unique to Your area requires written approval from Us before such goods and/or services are offered. For the purpose of this Article, "goods" means any product, good, inventory, supply item, equipment, tool, item, etc.

8.1.1 Delivery and Installation. For delivery and installation, You are required to work directly with the manufacturer or supplier of these items. We do not assist in delivery or installation of any required or approved purchases.

8.1.2 Authorized Menu. You must only prepare and sell such menu items and other food and beverage products as We designate and approve in writing from time to time (the "Authorized Menu") at your Franchise Business. You must offer all items and only those items listed on the Authorized Menu and other authorized products. You must offer the full Authorized Menu during all hours of operation. We have the right to make modifications to these items from time to time, and you agree to comply with any reasonable modifications We make. You must cease selling any previously approved product, service, or menu item within 30 days after receipt of notice that the product, service, or menu item is no longer approved, unless the disapproved product poses a health threat, in which case you must stop using it immediately. You must use in the operation of your Franchise Business and in the preparation of Authorized Menu items and other food and beverage products only the approved Recipes, and You must prepare and serve Authorized Menu items and products in such portions, sizes, appearance, taste and packaging, all as We specify in the Manuals or otherwise in writing. You acknowledge and agree that We may change these periodically and that You are obligated to conform to these requirements. We may authorize test marketing of proposed Authorized Products or Services at any location as We deem appropriate.

8.2 Your Supplier Compensation. We or Our affiliates may derive revenue from the sale of required goods and services through mark-ups in prices charged to You for goods and services purchased from Us or an affiliate, or We or an affiliate may receive compensation or discounts from the supplier for Your purchase of such goods and services. No compensation is due to You for compensation or discounts We receive from suppliers. Any monies paid to Us for goods or services are non-refundable.

8.3 Unapproved Suppliers. If You desire to purchase any goods or services from an unapproved supplier, or if You would like Us to consider alternative goods, You must submit to Us a written request for such approval or request the supplier itself to do so. We may require You to submit samples, Including ingredient lists and other data to permit Us to ascertain whether any such supplier meets Our specifications. We will notify You in writing and within 30 days of completing Our evaluation as to whether that supplier or good has been approved. Prior to testing, You must pay a non-refundable evaluation fee of not less than $500, plus after the evaluation, reimburse Us for all reasonable costs and expenses of testing whether or not the requested supplier is approved which is due upon Our billing to You (see Exhibit "A-3"). A supplier or good that is able to meet Our specifications may, as determined in Our sole discretion, become an approved supplier or good for Your Franchise Business only or for the System as a whole. We may make changes or alterations in the standards and specifications for approved suppliers and/or goods. At Our discretion, We may revoke Our approval of an approved supplier and/or good upon 30 days' written notice to You.

8.4 Maintenance. You shall maintain all inventory, supplies, and equipment of Your Franchise Business in good working order. If You fail to replace equipment, inventory, signs, furniture, tools, etc., that We reasonably feel is outdated, damaged, in need of repair, obsolete, etc., at Our sole discretion, We may replace those items for You, and You would be required to reimburse Us Our costs, plus a fee (see Exhibit "A-3") for Our time within 15 days of invoicing.

8.5 Warranties; Support. You must look to the respective manufacturers or suppliers for issues related to warranties, defective products, training, and support for any third-party goods purchased for Your Franchise Business. We will replace defective items purchased directly from Us pursuant to Our standard limited warranty, if any.

## ARTICLE IX
## MANUALS

9.1 Manuals. We shall loan You a copy or provide electronic access to Our Manuals. You may not copy any part of the Manuals either physically or electronically. The Manuals are confidential and remain Our property. The Manuals may be used by You only in association with Your Franchise Business and only during the term of this Agreement. We have the right revise the Manuals at Our sole discretion in order to maintain the goodwill associated with the System and the Marks. You will promptly and continuously comply, at Your expense, with all provisions of, and modifications to the Manuals. The master copy of the Manuals maintained by Us will control in the event of a dispute relative to the contents of the Manuals. In the event We provide a written Manual, and You require replacement of any Manual, You will be charged Our cost, plus 10% per volume, plus shipping and handling. This cost is payable, in full to Us, prior to shipment.

9.2 Standards and Procedures. We may establish performance procedures, standards, and specifications for Recipes, products, services, and Marketing ("Standards") for the operation of Your Franchise Business. We may change these Standards at Our discretion and You must strictly follow these Standards and implement all such Standards within the periods required by Us.

## ARTICLE X
## MARKETING

10.1 Creative Development Fund Administration. We have the right to institute, maintain and administer a national Marketing and brand development fund ("Creative Development Fund") for Marketing activities as We, in Our sole discretion, may deem necessary or appropriate to Market the System. The Fees for the Creative Development Fund are listed in Exhibit "A-3." We can terminate, suspend, or postpone the Creative Development Fund at any time. Upon termination of the Creative Development Fund, the unused

funds will either be returned to those that contributed the funds, or We will cease to collect new funds while We spend the remainder of funds.

10.1.1 Creative Development Fund Administration. We will direct all such programs, with sole discretion over: 1) the creative concepts, materials, endorsements and media used in connection with such programs; 2) the source of the Marketing or public relation efforts; 3) the placement, timing, and allocation of such programs; and 4) the composition of all geographic territories and market areas for the development and implementation of such programs. The Creative Development Fund can be operated through an entity separate from Us that has all Our rights and duties relating to the Creative Development Fund. We are not liable for any act or omission with respect to the Creative Development Fund or otherwise that is consistent with this Agreement, or which is done in subjective good faith. The Creative Development Fund may be used, in Our reasonable discretion, to reimburse Us for costs related to the administration of the Creative Development Fund and Marketing efforts intended to benefit the System. We have the right to loan money to the Creative Development Fund to cover any deficits. The Creative Development Fund is not in the nature of a trust, fiduciary relationship or similar special arrangement, and We disclaim any such relationship.

10.1.2 Use of Creative Development Fund Fees. We may use the Creative Development Fund to offset a portion of direct costs to manage and maintain the Creative Development Fund, Including the payment of staff salaries and other expenses for those groups who may be involved in Creative Development Fund activities. We may receive payment for providing goods or services to the Creative Development Fund. We reserve the right to use fees from the Creative Development Fund to place Marketing in national or regional media. We are not required to spend any amount on Marketing directly in Your area or Territory, and We do not have any obligation to ensure that expenditures are or will be used equally in each region or that they will be equivalent or proportionate to contributions to the fund by other franchisees operating in any geographic area. We make no representations that Marketing expenditures will benefit You or any other franchisee directly, on a pro-rata basis, proportionally, or at all. We reserve the right to use Creative Development Fund fees to solicit additional franchisees. Additionally, We reserve the right to Include a notation in any Marketing or website indicating “franchises available” or similar phrasing. Any unused Creative Development funds in any calendar year will be applied to the following year’s fund. You may request (in writing) an unaudited annual report of the previous year’s Marketing expenditures once each calendar year, so long as the request is made at least 90 days after the end of the calendar year.

10.2 Marketing Cooperative. We may form a local and/or regional Marketing cooperative covering such areas as We, at Our discretion, deem appropriate, and We may disburse such funds as We believe appropriate from the Creative Development Fund to any such local and/or regional Marketing cooperative for local and/or regional Marketing. We have the power to require cooperatives to be formed, changed, dissolved or merged at any time. You are not required to join or contribute to more than one advertising cooperative for the same Franchise Business.

10.2.1 Governing Documents and Financial Statements. We will develop or approve the governing documents and make them available to all franchisees within the cooperative area. The cooperative will be required to prepare annual unaudited financial statements, and these will be available to all franchisees in the Marketing cooperative for review. No changes may be made to the governing documents without Our prior written approval.

10.2.2 Membership and Voting. Upon the formation of a local or regional Marketing Cooperative, You will automatically be deemed to be a member of such association as covers the area in which Your Franchise Business is located and will be bound by any decisions made by the Marketing cooperative upon a majority rule by members voting. Voting will be one vote per company or affiliate owned location or franchise unit in good standing in the Marketing cooperative. If We or affiliates have a company or affiliate owned unit in the Marketing Area, We or Our affiliate will also become a member of the association. A “Marketing Area” is defined as a market with two or more units in the same television, radio or newspaper market, as determined by Us.

10.2.3 Contributions. All franchisees within the Marketing cooperative area will be required to join and contribute to the fund pro rata based on the number of units in the cooperative. Contributions to the

cooperative will be credited toward your local Marketing obligation. The cost of Marketing programs will be allocated among the members in the Marketing Area and each member must contribute equally to the local cooperative fund based on a per franchise unit basis in the cooperative Area. You will be required to contribute to the Marketing cooperative in the amounts and frequency as determined by its voting members, but such Fees and costs will not exceed 4% of Your annual Gross Sales unless all voting members of the cooperative decide to exceed the limit. We can require that contributions be made at a different frequency.

10.2.4 Audit. We and our designated agents will have the right to examine, copy, and audit, at Our expense, on reasonable notice and during normal business hours, the books, records, and accounts of any Marketing cooperative.

10.3 Sample Marketing Materials We may provide You samples of Marketing materials developed by Us from time to time. Additional copies will be made available at cost, plus 10% shipping and handling.

10.4 Your Obligations to Market. You shall participate in all Marketing programs as directed by Us and to use all materials, mediums, and other information made available to You in doing so. Additionally, You are required to Market locally as set forth in Section 5.3.2. Neither We nor You are restricted from Marketing in the Territory. You are allowed to market and sell to customers in another franchisee's Territory as more fully set forth in the Manuals.

10.5 Approval of Marketing. You may develop Marketing materials and digital Marketing programs for Your use at Your cost, but You must submit to Us, prior to publication, copies of all Marketing materials, proposed to be used by You, Including any use of the Internet, or other digital, electronic or Social Media along with a description of how it will be used, by what media published, and such other information as may be reasonably requested by Us. All such materials must be approved by Us in advance and in writing in accordance with Our Manuals. Submitted Marketing materials will be deemed approved if You do not receive Our written approval or disapproval within 30 days of the date We receive the submission. We have the right to disapprove previously approved Marketing materials at any time.

10.5.1 Marketing Compliance. All Your Marketing activities must be done in strict compliance with Our Manuals and in good taste and must reflect favorably upon the brand and System. You must submit to Us, prior to publication, copies of all Marketing, promotional and public relations materials, proposed to be used by You, Including, any use of the Internet, or other digital, electronic or Social Media along with a description of how it will be used, by what media published and such other information thereon as may be reasonably requested by Us. You shall participate in all Marketing, email, texting, and other programs as developed by Us, Including, the collection of Customer Data and participation in using and promoting apps, as developed by Us.

10.5.2 Marketing Plan. You are required to provide Us an initial Marketing plan at least 30 days prior to the opening of Your Franchise Business. In addition, You are required to annually update Your Marketing disbursement plan and submit the updated plan to Us within 90 days after Your fiscal year end.

10.6 Internet and Social Media. You must strictly comply with Our policies and procedures regarding websites, Social Media sites, and Internet Marketing. We reserve the right to restrict Your use of these mediums in the future.

10.6.1 Use of the Internet. You may not create a website for Your Franchise Business or use or obtain a domain name consisting of all or any part of the Marks, or that would be confusingly similar to all or any part of the Marks without Our prior written permission. If You receive permission from Us for Your own website or webpage, use of apps, or Social Media, or similar electronic media, all content must be pre-approved in writing by Us and You may be required to use Our or other designated website designers to create the site for a fee to the website designer, and any such website must be ADA compliant. Additionally, You cannot Market on the Internet, Including posting for resale, items on third party resale or auction-style websites such as eBay, Craigslist, or Amazon without Our prior written permission. We have the right (but not the obligation) to manage and control all online reviews for Your Franchise Business. You may not claim, link, or frame any web listing on sites such as Yelp, etc.

10.6.2 Social Media. We will own and control all Social Media related to the brand, but We may allow You to manage certain aspects of Social Media related to Your Franchise Business. In all cases, We will have administrative access, and access to account information, and any other information related to Your Social Media activities related to the Wingers® brand. You cannot change any login/password information without Our prior written approval, and You must immediately supply Us with all changed/updated login/password information. We have the right to remove or alter or require You to remove or alter any content We deem inappropriate or inconsistent with the Wingers® brand. We reserve the right to restrict Your use of Social Media in the future. Additionally, You must sign the Digital, Social Media, and Listings Assignment Authorization attached as Exhibit "A-9."

10.7 Creative Development Fund Council. At Our discretion, We may create a Creative Development Fund council that provides input for how the Creative Development Fund is used. We may appoint franchisees to this council. This council serves only in an advisory capacity and has no operational or decision-making authority. We have the ability to make changes to this council or dissolve it at any time.

## ARTICLE XI
## BREACH AND TERMINATION

11.1 Default and Termination. We may terminate this Agreement before the expiration of its term if You breach this Agreement and fail to cure, if curable. If curable, You must cure a default within the times set forth below after receiving notice of default. If the default is one which is incapable of cure, Termination is effective as of the date of the notice of default and Termination.

No-Cure Period:

A. Insolvency; Receivership; Levy or Foreclosure. You become insolvent or commit an act of bankruptcy or make a general assignment for the benefit of creditors, or to an agent authorized to liquidate Your property or assets, or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or for reorganization, or a bill in equity or other proceeding for the appointment of a receiver of: (1) You; (2) Your Franchise Business; or (3) another custodian for Your Franchise Business or Operating Assets, is filed or consented to by You, or if a receiver or other custodian (permanent or temporary) of Your Operating Assets or property, or any part of them, is appointed by any court of competent jurisdiction, or the real or personal property of Your Franchise Business is sold after levy by any sheriff, marshal, or constable, or a suit is filed to foreclose a lien or mortgage against any of Your Operating Assets and it is not dismissed within 30 days.

B. Repeated Breaches. You repeatedly breach (three or more times) the same or different conditions of this Agreement or the Manuals within a 12-month period.

C. Unauthorized Use. You duplicate the System or use Our Confidential Information or Intellectual Property other than in connection with the operation of Your Franchise Business and as authorized by Us.

D. Misrepresentations. You make any material misrepresentations relating to the acquisition of the Franchise Business, or Your misrepresentation to customers, Including deception relating to the source, nature, or quality of goods sold or services provided.

E. Abandonment. You abandon Your Franchise Business or You state or clearly demonstrate an intent not to operate the Franchise Business.

F. Unauthorized Transfer. You Transfer or attempt to make an unapproved Transfer of all or any part of this Agreement, Your Franchise Business, or any material portion of the property associated with Your Franchise Business, or an unapproved percentage of Your franchise entity, or You sublicense or attempt to sublicense to another any of the rights licensed to You hereunder, or You otherwise fail, refuse, or neglect to obtain Our prior written consent or approval required hereunder.

G. False Reporting. You knowingly or intentionally conceal revenues, maintain false books, or records (Including purposely uploading or storing incorrect or incomplete information on a designated platform) or submit any false report or payment or otherwise defraud Us.

H. Crimes and Adverse Behavior. You commit, or are convicted of, or plead guilty or no contest to, or enter into a plea in abeyance, stipulated order of continuance, or related agreement to a felony, or a crime involving moral turpitude or dishonesty, or You engage in any conduct or behavior that We believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or Our interest therein; or You make disparaging remarks against Us, Our management, Personnel, the System, or Our brand to Our other franchisees or in a public forum, Including, radio, television, newspapers, the Internet or Social Media.

I. Unauthorized Competition. You fail to comply with the covenant not to compete during the term of this Agreement or intentionally or recklessly disclose or use Our Confidential Information or Intellectual Property in violation of this Agreement.

J. Termination of Lease Agreement. Your Lease for the Premises is Terminated.

K. Illegal Drug Use. You use illegal drugs or abuse prescription medication or refuse to submit to a drug test.

L. Unauthorized Modification. You modify in any degree by adding to or taking from or changing the contents, amounts, or flavor of any Recipe or other food item as well as using any substitute ingredients or procedures in violation of the Manuals or this Agreement.

M. Termination of Another Agreement. Another agreement between Us or an affiliate of Ours and You or with an affiliate of Yours is terminated due to Your failure to cure any breach after notice, or for Your uncurable breach of such agreement.

24-Hour Cure Period

N. Public Safety. Your maintenance or operation of Your Franchise Business results in a threat or danger to public health or safety, or You fail to cure a health code or safety violation within 24 hours of an inspection by Us or the applicable governmental agency.

5-Day Cure Period:

O. Unauthorized Closure or Relocation. Your Franchise Business is closed for a period of three or more consecutive business days or not open for the business hours as required under this Agreement for three or more business days in any 30-day period without Our prior written approval, which consent will not be unreasonably withheld or delayed, You move the location of Your Franchise Business Premises without Our prior written approval, or You operate Your Franchise Business outside Your Territory without Our prior written approval.

P. Failure to Use or Provide Access to a Designated Account. You refuse to use, or to enable, or to allow Us access to Your account for a designated platform or software, Social Media account, or branded email account; or You refuse to allow Us or Our designated representatives to conduct an inspection or audit, or You refuse to provide access to fully perform an inspection or audit

15-Day Cure Period

Q. Failure to Obtain or Maintain Insurance, Licenses and/or Permits. You fail to obtain or maintain all required insurance, licenses, and/or permits.

R. Failure to Pay. You fail to pay for any Fee or amounts due to Us, any of Our affiliates, or other designated, approved or other suppliers or assigns, within the time specified for such payments by this Agreement, the Manuals or an agreement specifying the payment concerned.

S. Failure to Accurately Report. You fail to accurately report or fail to submit any reports or records required under this Agreement or in the Manuals.

T. Unauthorized Product Re-sell. You post for re-sell items on any third-party re-sell or auction style website without Our prior written permission.

U. Default Notice of Lease Agreement. You receive a notice of default under Your Lease.

V. Act in Contravention. You perform or undertake any action to undermine or circumvent this Agreement, the System or Winger's Franchising, Inc.

30-Day Cure Period

W. Owner Deadlock. Your Owners are engaged in a Dispute with one another (deadlock) that materially affects the operation of Your Franchise Business or that We reasonably believe will materially affect the operation of Your Franchise Business if left unresolved.

X. Other Breaches. Except as otherwise provided herein, You fail to comply with any other provision of this Agreement or the Manuals.

11.1.1 Adequate Assurance. When reasonable grounds for insecurity arise with respect to the performance of Your obligations under this Agreement, We may demand adequate assurance of due performance and, until We receive such assurance, We may reasonably suspend any performance of Our obligations. Failure to provide Us with adequate assurances within 30 days, when properly demanded, will be considered a default of this Agreement for which no additional cure period will be granted.

11.2 Event of Default. In the event of any default by You, We will give You written notice of default specifying the default(s) and, if curable, state what You must do to cure the specific default(s) within the cure period. In the event of a default by You, all Our costs and expenses arising from such default(s), Including, reasonable legal fees and reasonable costs for Our Personnel's time related to the default(s) must be paid to Us by You within 10 days following Our demand for payment. Notwithstanding anything to the contrary herein, We have the right, in Our sole discretion, to grant You an extended period of time to cure. Any such extension will not be construed as a waiver of Our rights in the future.

11.3 Failure to Cure. If You fail to cure any default within the time allotted, We may proceed to enforce any or all of the following non-exclusive remedies in accordance with this Agreement. Our pursuit of any one remedy will not be deemed an election or waiver by Us to pursue any other additional remedies:

11.3.1 Our Pre-Termination Options. We have the right to 1) suspend all services provided to You under this Agreement or otherwise, Including training, Marketing assistance, access to Our software platforms and accounts, and the sale of products and supplies; or 2) eliminate listing You in any Marketing materials, Including any directory listings, approved or published by Us, and Our principal website or Social Media platforms. We may continue taking these actions until You comply with the requirements of any default notice that We have sent to You, and We acknowledge Your compliance in writing. The options in this Section 11.3.1 will have no effect on, and will not release You from, any obligation You owe to Us or to Our affiliates.

11.3.2 Actionable Claim. Bring an action or claim against You for the balance of any monies due hereunder, Including, penalties and interest as provided for in this Agreement and for all other damages sustained by Us as a result of Your breach of this Agreement. As part of any such action, We may accelerate and bring an action against You for the balance of any outstanding installment obligation due hereunder.

11.3.3 Injunctive Relief. Bring an action against You for temporary or permanent injunctions and orders of specific performance enforcing the provisions of this Agreement and otherwise stop You from engaging in actions prohibited hereby.

11.3.4 Termination. Terminate this Agreement and proceed to enforce Our rights under the appropriate provisions. Such Termination will be effective upon delivery of a notice of Termination to You without further action by Us.

11.3.5 Other Remedies. Seek any other remedy available to Us at law or in equity, Including lost profits.

11.4 No Right of Termination. You may not Terminate this Agreement; however, some states may allow You to terminate as permitted by state law.

11.5 Opportunity to Cure. Prior to taking any action against Us, You must first give Us 60 days prior written notice and an opportunity to cure any alleged act or omission. If such act or omission cannot be cured within such 60-day period, and We are diligently continuing efforts to attempt to cure such alleged act or omission, You must give Us such additional time as is reasonably necessary to cure.

## ARTICLE XII
## TERMINATION AND EXPIRATION

12.1 Upon Termination of this Agreement for any reason You immediately cease to be Our franchisee and shall:

12.1.1 Payments Due. Immediately pay for all product purchases, Fees and other obligations owed or accrued to Us, Our affiliates or designated suppliers.

12.1.2 Cease Use. Not hold Yourself out as a Wingers Alehouse™ or Wingers® brand franchisee or business and immediately and permanently cease to Market or in any way use Our Intellectual Property, Confidential Information provided by or licensed to You by Us or in any way connected with the Franchise Business or System.

12.1.3 Trade Secret and Confidential Information and Products. Except as provided below in Paragraph 12.1.8, within five days, You must demonstrate with video proof sent to Us that You have permanently destroyed all information and/or products that We deem trade secret or confidential, or in the alternative, provide proof to Us that You have sold such products or information to Us or another System franchisee.

12.1.4 Disassociation. Within 15 days of Termination, take all necessary steps to disassociate Yourself from the System and Your Franchise Business, Including, the removal of signs, destruction or removal of letterheads, Marketing material, the change of Your Franchise Business telephone listings, telephone numbers, email addresses, URLs, Internet websites, and any other property that bears Our brand or is affiliated with Our brand. All such property and listings, excluding Your operating assets and inventory that are associated with and considered part of Our brand, Intellectual Property, and System revert back to Us upon Termination of this Agreement. If any of Your Operating Assets and inventory bear Our brand and Marks to Our System, You must take the steps necessary to dissociate it all from Our brand, Marks, and Intellectual Property. You shall assist Us to assign, transfer, or disconnect (at Our option) the telephone listing, telephone numbers, Marketing accounts, e-mail addresses, URL's, Internet sites, web pages, and Social Media to Us. If You fail or refuse to do so, the telephone company, URL and hosting companies, and other listing agencies may accept this Agreement as evidence of Our exclusive rights in and to such telephone number(s), Internet websites, URL's, and Social Media and listing and its authority to direct their transfer. You hereby appoint Us as Your attorney-in-fact for the above transfers, which appointment is coupled with an interest. You must not identify any present or future business owned or operated by You as having been in any way associated with Us or the System.

12.1.5 Cancel DBA. Within 15 days of Termination, take such action as will be necessary to amend or cancel any assumed name, fictitious or business name or equivalent registration, which contains any Mark of Ours or in any way identifies You as being affiliated with Our System.

12.1.6 Notify Suppliers; Communication with Customers. Immediately notify all suppliers, utilities, creditors and concerned others that You are no longer affiliated with Us or the System and provide proof to Us of such notification. All communications with customers and clients of the Franchise Business must be pre-approved by Us, and We can require that all such communication be handled by or through Us. We also have the right to communicate directly with all customers and clients of the Franchise Business.

12.1.7 Return Materials. At Your cost, permanently delete electronic copies and return to Us by first class prepaid United States Mail (Including, originals and any copies) physical copies of Our Manuals, all training materials, Marketing materials, and all other printed and electronic materials and any other Confidential Information obtained by You from Us pertaining to the operation of Your Franchise Business.

12.1.8 Modification of Premises. If We do not exercise Our right to purchase Your Operating Assets or assume Your Lease upon Termination, then You must alter, modify and change both the exterior and interior appearance of the Premises, to Our satisfaction, so that it will be easily distinguished from the standard or common appearance of any Wingers® brand restaurant or franchise business and shall cease using the signs, décor, displays, advertisements, promotional materials and the like that are unique or distinctive to the System.

12.1.9 Customer Data. To the extent We do not have access, You shall provide Us with (and then permanently destroy) the Customer Data of the Franchise Business.

12.1.10 Evidence of Compliance. Otherwise furnish evidence satisfactory to Us or in the manner required by Us of Your full compliance with this Section 12.1 within 30 calendar days after the Termination of this Agreement or on the timeline We may provide at Termination.

12.1.11 Prepaid Services Reimbursement Fee. Upon Termination, You shall provide Us with an accounting of all outstanding Prepaid Services sold at or through Your Franchise Business. As We and other franchisees may be responsible to fulfill such Prepaid Services, You shall pay Us the amount of outstanding Prepaid Services plus a fee (see Exhibit “A-3”) for Our time in each instance.

12.1.12 Financial Inspections. You must provide Us with access to all Your financials, books, and other accounting records for 12 months following the date of Termination.

12.1.13 Pay Damages and Costs. In addition to any other remedy We may have under this Agreement and under law, in the event You fail to comply promptly with any of Your post-termination obligations, We may hire a third party or use Our own Personnel to de-identify Your Franchise Business and/or to carry out any other post-termination obligations on Your behalf, for which costs You will be responsible. These costs will Include any attorneys’ fees and costs incurred and associated with enforcing Your post-termination obligations. We have the right to automatically debit by EFT or other electronic withdrawal means, Your bank account for these payments. Your reimbursement of Our costs will not affect Our right to obtain appropriate injunctive relief and other remedies to enforce this Article XII, Our trademark rights, or the covenants to not compete.

12.2 Upon Termination of this Agreement, for any reason:

12.2.1 No Compensation. No payment is due to You from Us or any source on account of any goodwill, intangible assets or other equity claimed by You arising from or relating to Your operation or ownership of Your Franchise Business, or otherwise. All goodwill connected in any way with Your Franchise Business, or the System belongs now, and in the future, exclusively to Us.

12.2.2 No Refund. No Fees, charges, or other payments of any kind from You to Us are refundable in whole or in part.

12.2.3 No Equity. You will have no equity or other continuing rights to use the System, Confidential Information, Intellectual Property or goodwill of the Franchise Business.

12.3 Survival of Provisions. All provisions of this Agreement, which by implication apply following the Termination of this Agreement are enforceable following Termination of this Agreement, Including Your obligation to indemnify Us and pay all amounts owed and Your obligations to dissociate from Our brand. You shall also still be bound to the confidentiality, brand protection, indemnification, non-disparagement, non-competition, non-solicitation, arbitration and dispute resolution, choice of forum and law selections clauses and other restrictions of this Agreement that have terms or duties owing after Termination of this Agreement.

12.4 Make Premises Available to Us. In addition to those obligations set forth above, upon Termination, You shall make the Premises and computer systems accessible and available for Us to examine and verify Your compliance with Your post-termination obligations, and/or to operate a New Business at the Premises (see Paragraph 13.1.1(i) below) if We, at Our sole discretion, choose to do so. If You fail to make the Premises available to Us, You will be assessed a Fee for the expense incurred by Us to enforce Our rights under this paragraph.

12.5 Liquidated Damages. If this Agreement is Terminated, other than for an approved Transfer, non-renewal or mutual termination, in addition to other remedies available under this Agreement, We will be entitled to liquidated damages, not as a penalty, and solely to compensate Us for lost future royalties. You and We recognize the difficulty of calculating damages caused by lost future royalties but nevertheless recognize and agree that such damages could arise and You and We hereby agree to the formula listed on Exhibit "A-3" as a compromise on the calculation of such damages. You and We agree that such amount will be reduced to the present value of such payments as of the date of Termination utilizing an interest rate of 5% compounded annually. This amount is payable within 10 days of Termination.

12.5.1 Additional Non- Compliance Costs. You must pay us a daily post-termination non-compliance fee for each day that you are in default (See Exhibit "A-3"). In addition to the daily post-termination non-compliance Fee, You will pay to Us: (a) the amount of expenses reasonably incurred by Us to perform any obligation that You failed to perform, calculated on hourly rates of Our Personnel, and time, travel, lodging, food and other expenses where applicable; and (b) all damages, costs and expenses, Including attorneys' fees and costs incurred by Us in obtaining injunctive or other relief. Upon Your Termination, We have the right to transfer from Your account by EFT or other electronic withdrawal means, a payment of $10,000 in respect and anticipation of the post-termination, non-compliance Fees and expenses referred to in Section 12.5. Upon completion of de-identification of the Premises to Our reasonable satisfaction and payment of the expenses provided in Section 12.5, We will refund to You any unused portion of the $10,000 remaining. If the $10,000 is insufficient to satisfy Your monetary obligations to Us, You will pay the balance owing within 30 days of Our invoice to You.

12.6 Additional Equitable Remedies. The amount contemplated under Section 12.5 does not represent a price for the privilege of not performing nor does the payment represent an alternative manner of performance. Accordingly, as a purely liquidated damages provision, Section 12.5 does not preclude and is not inconsistent with a court granting Us specific performance, other damages set forth herein, or any other equitable remedies, such as an injunction, to prevent future breaches.

12.7 Cumulative Rights. Our rights provided above are cumulative and in addition to any other right or remedy available at law or in equity.

## ARTICLE XIII
## PURCHASE OPTION

13.1 Purchase Option. Upon Termination of this Agreement, You hereby grant to Us the right to:

13.1.1 Acquisition of Assets. Acquire, in Our sole discretion, all or any part of Your Operating Assets at the then-existing fair market value of such item or items as of the date of Termination of this

Agreement. You hereby grant Us permission to speak directly with Your landlord and other creditors, Including suppliers, banks, the IRS and state agencies (and You will cooperate with Us to facilitate such communication), regarding any loans and/or liens or obligations that would encumber Your Operating Assets. If the fair market value is not agreed between us, the fair market value will be established by an independent appraisal. The appraisal will be done at Our expense by an appraiser selected by Us. No goodwill will be considered associated with Your Franchise Business or said items. We must exercise this option within 45 days of such Termination or within 15 days of the establishment of the price of the Operating Assets, whichever is later ("Option Period") by giving written notice to You of Our intent to exercise Our option to purchase. The purchase of any of Your Operating Assets will be done through an asset purchase agreement. Unless otherwise agreed by You, the purchase price as determined hereunder will be paid within 30 days of providing notice of Our intent to purchase. We have the right to off-set any amounts You owe to Us against the purchase price if We have not notified You of Our election to exercise this option within the Option Period, it will be conclusively presumed that We have elected not to exercise Our option and You are then free to sell or transfer such assets to any person or entity on such terms as You may so choose, so long as the Operating Assets have been de-identified as set forth herein. If any of the Operating Assets are subject to liens or taxes, We may withhold a portion of purchase price to pay off such lien or taxes. We may also withhold 25% of the purchase price for 90 days to ensure that all other liabilities affecting the Operating Assets are paid.

(i) Interim Management During Option Period. We have the right, but not the obligation, to use Your Operating Assets and Premises (if the Lease is still in effect, and in such case, We will obtain this right from the landlord as applicable), and to hire Your Personnel to operate the business during the Option Period. You and We understand and agree that We will not be operating Your Franchise Business during this time, but We will be using Your Operating Assets and the Premises to operate Our own, separate Wingers Alehouse™ business ("New Business") in order to keep the business open during the Option Period. We will pay You the fair market rental value for such use of the Operating Assets as agreed, but not to exceed fair market rental value, and if We use the Premises, We may pay rent directly to the landlord for Our use of the Premises. For any inventory or other items sold or consumed by Us during the Option Period, We will reimburse You the actual price You paid for such items. You will be required to cooperate to provide Us with all pertinent information regarding Your Franchise Business, as We deem necessary. We will establish Our own bank accounts and other accounts for the New Business during the Option Period. During the Option Period, We will pay all costs and expense of the New Business, and all proceeds of the New Business will belong to Us. We will not assume any of Your debts or obligations, and We will not be responsible to pay any debts or expenses incurred by Your Franchise Business. You shall indemnify and hold Us harmless from and against any and all claims, damages, losses, deficiencies, liabilities and costs, Including attorney's fees, of or related in any way to the Franchise Business prior to Us operating the New Business at the Premises, and We will indemnify and hold You harmless from and against any and all claims, damages, losses, deficiencies, liabilities and costs arising solely from the New Business. If necessary, We have the right to change the locks and exclude You from the Premises during this Option Period.

13.1.2 Assumption of Lease. We have the right, during the Option Period, to assume Your Lease under the provisions of Paragraph 4.2.1 above.

13.1.3 Warranties. The purchase contract for the Operating Assets, as set forth in paragraph 13.1.1 above, will include standard representations, warranties, covenants and indemnities from You as to the Operating Assets being purchased, Including, warranties of good title, absence of liens, compliance with laws, absence of defaults under contracts, litigation and tax compliance.

## ARTICLE XIV
## SALES OR TRANSFERS OF THE FRANCHISE

14.1 Our Right of Assignment. You acknowledge that We maintain a staff to manage and operate the System and that staff members can change as Our owners, directors, officers, and Personnel come and go. You represent that You have not signed this Agreement in reliance on any shareholder, director, officer, or Personnel remaining with Us in that capacity. This Agreement and all rights and obligations hereunder are fully assignable and transferable, whether in part or whole, by Us, and if so assigned or transferred, will be binding upon and inure to the benefit of Our successors and assigns, and We will no longer have any performance or

other obligations under this Agreement.. We may be sold or We may sell any part of or all Our Confidential Information and/or Intellectual Property or other assets to a competitive or other entity. In addition, We may go public, may engage in a private or other placement of some or all of Our securities, may merge, acquire other entities or assets which may be competitive with the Wingers® System or not, be acquired by a competitive or other entity, and may undertake any refinancing, leveraged buy-out or other transaction, Including arrangements in which: 1) the territories, locations or other facilities are, or are not, converted to the System or other format or brand (Including using the System or Marks), or 2) the System is converted to another format or brand, maintained under the System or a different system. You shall fully cooperate with any such proposal, merger, acquisition, conversion, sale or financing. However, We will not re-brand any such businesses that are located inside Your Territory by allowing them to use the Marks.

14.2 No Assignment by You Without Our Approval. This Agreement is personal as to You and is being entered into in reliance upon and in consideration of Your qualifications and representations, Including representations of all current owners. Therefore, none of Your Franchise Assets may be Transferred in any manner by You or anyone else unless Our prior written approval is obtained and consummated by signing a consent agreement as approved by Us. You shall provide Us with all documentation relating to the Transfer of Your Franchise Assets. Said approval will not be unreasonably withheld but will be conditioned upon Our satisfaction with the qualifications set forth in Section 14.3 below of the proposed transferee and its owners and officers. Any Transfer without Our written approval is considered void ab initio.

14.3 Qualifications of Transferee. In determining the acceptability of the proposed transferee, We will consider, among other things, Our then-current standards for new franchisees, Including, the net worth, financial resources, credit worthiness, health, background, training, personality, reputation, and business experience of the proposed transferee, including that of the new Operating Principal, the terms and conditions of the Transfer and any circumstances that would make the Transfer not in the best interests of Us or the Wingers® System Including, the proposed purchase price. We may meet and candidly discuss all matters relating to Your Franchise Business with the potential transferee, including providing a proposed transferee with corrected information or information in addition to what You have provided. In no case will You or a proposed transferee rely on Us to review or evaluate any proposed Transfer.

14.4 Application for Transfer. You must provide Us written notice of Your intent to Transfer prior to listing or offering part of the Franchise Assets for sale, and upon any proposed Transfer of this Agreement, or any interest in it, You must also submit to Us an application in the form specified by Us on behalf of the proposed transferee.

14.5 Transfer Fee. To offset some of Our costs associated with the Transfer, You shall pay Us the non-refundable Transfer Fee listed in Exhibit “A-3” at the time of the approved Transfer.

14.6 Minority Interest Transfers. If a proposed Transfer is for less than 40% of Your entity (cumulative during the term of this Agreement), there will be no Transfer fee and, We will not be entitled to exercise Our right of first refusal set forth in Section 14.9 below. You will be required to reimburse Us for all Our legal fees incurred with this type of Transfer. Each ownership certificate of a corporation or limited liability company franchisee must have endorsed upon its face a Transfer is subject to the restrictions of this Agreement. Additionally, any new Operating Principal and other applicable Personnel are required to complete the necessary training as required by Us. Any new owner with a direct or indirect ownership of 20% or more in Your Franchise Business or Your entity is required to sign Our then-current form of the Guaranty and Assumption of Obligations attached as Exhibit “A-4” hereto. Furthermore, all applicable provisions of Section 14.8 below apply to minority interest Transfers as well.

14.7 Involuntary Transfers Void. Involuntary Transfers of this Agreement by You, such as by legal process, are not permitted, are not binding on Us, and are grounds for termination of this Agreement. Using this Agreement as security for a loan, or otherwise encumbering this Agreement is prohibited, unless We specifically consent to any such action in writing prior to the proposed transaction. You cannot grant a sub-franchise under this Agreement nor otherwise seek to license or permit others to use this Agreement or any of the rights derived by You under it. Any attempt to Transfer any part of the Franchise Assets, whether or not

binding on Us, will be grounds for the immediate termination of this Agreement unless such Transfer is authorized in writing by Us.

14.8 Conditions of Transfer. Prior to the effective date of Transfer of any part of Your Franchise Assets and as a condition for Our approval of any Transfer:

14.8.1 Compliance. You must be in full compliance with this Agreement and not be in default hereunder, and You must comply with Our policies related to a Transfer as set forth in the Manuals. All accounts payable and other monetary obligations to Us or Our affiliates or subsidiaries must be paid in full. You must have submitted to Us all required reports, financial statements, and other documents.

14.8.2 Franchisee Application; Written Proposal. The transferee must complete and submit all application documents required by Us from prospective franchisees at the time of Transfer and be approved in writing by Us. The terms and conditions of the proposed Transfer must be provided in writing to Us within the time frames specified by Us. The price and other proposed terms of the Transfer must not, in Our reasonable business judgment, negatively impact the future viability of the Franchise Business. If any part of the sale price is financed, You must agree that all obligations of the transferee under any promissory note, other payment agreement, or financing statement will be subordinate to the obligations of the transferee to pay the Fees owing to Us and our affiliates pursuant to this Agreement.

14.8.3 Assumption of Obligations. All Your obligations in connection with the Franchise Assets must be assumed by the transferee, Including assuming Your Lease obligations, if applicable, in a form acceptable to Us, and the transferee(s) must provide personal guarantees approved by Us. See Section 6.3 above.

14.8.4 New Franchise Agreement; Updates; Consent. At Our discretion, the transferee must sign the then-current form of the franchise agreement for a term equal to the remaining term of this Agreement, the remaining term of the existing Lease, or the term set forth in the then-current franchise agreement, or for minority interest transfers, You and We must amend this Agreement and its exhibits as necessary to reflect the change in ownership. You must also fully Update the Franchise Business and Premises to the level required of new franchisees. Additionally, You shall sign the appropriate paperwork to consummate Our consent to the Transfer.

14.8.5 Training. Unless We have previously trained the transferee, the transferee must pay for and complete the training or certification program required of new franchisees. See Exhibit “A-3.” The transferee is also responsible for the cost of travel, food and lodging for Our representatives or the transferee’s attendees. You, the transferee, and We must coordinate on the timing of training, so that the Franchise Business does not have a gap in properly trained management. The cost of such training will be at Our standard rate for training new managers, plus the cost of travel, food and lodging for the trainers.

14.8.6 Transfer Fee. You must pay the transfer Fee as set forth on Exhibit “A-3” or reimburse Our legal fees for minority interest Transfers as set forth in Section 14.6 above.

14.8.7 Transfer of Alcoholic Beverage License. The proposed transferee qualifies as a transferee of Your alcoholic beverage license.

14.8.8 General Release. You must execute a general release releasing Us and Our affiliates of any claims You may have against Us.

14.8.9 Survival of Covenants. Your non-competition, indemnity, confidentiality obligations, the provisions relating to dispute resolutions, and other applicable terms of this Agreement, will survive any Transfer.

14.9 First Right of Refusal.

14.9.1 Right of First Refusal. You hereby grant to Us the right of first refusal to purchase Your Franchise Assets on such terms and conditions specified in a bona fide written offer from a third-party, who would satisfy the criteria for approval under Section 14.3. You must notify Us in writing of the terms and conditions of the Transfer, Including, the Franchise Assets proposed to be Transferred, the purchase price or other consideration, any creditor financing terms being extended by You, the date of the proposed Transfer, and all other pertinent provisions of the proposed Transfer. In addition, a copy of any contract, agreement, memorandum of sale, deposit receipt, letter of intent and the like, must also be forwarded to Us as soon as it is signed by You. Following receipt of all pertinent data and documents concerning the proposed Transfer concerning Your Franchise Business, financials, Personnel information, lease information, etc. We will have 60 days to advise You in writing of Our election to have the Franchise Assets proposed to be transferred and assigned to Us on the terms and conditions agreed to by the prospective transferee. Our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration Includes promissory notes, We or Our designee may provide promissory notes with the same terms as those offered by the proposed transferee). Should We elect to purchase the Franchise Assets proposed to be Transferred pursuant to Our right of first refusal, You and We agree to cooperate to accomplish the Transfer as set forth in the provisions submitted to Us by You, provided that the date for the completion of the Transfer can be extended at Our option for up to 30 days beyond the date originally indicated for the completion of the Transfer in order to allow the completion of the transaction in a manner more convenient to Us. We have the right to off-set any amounts You owe to Us against the purchase price.

14.9.2 Non-Election of Rights. If We do not elect to purchase the Franchise Assets proposed to be Transferred, You may complete the proposed Transfer on the terms and conditions set forth in Your notice to Us subject to Our right to approve the proposed transferee and the terms and conditions set forth under this Article. However, if there are any material changes in the terms and conditions of the proposed Transfer, and any of those changes are more favorable to the purchaser, You must notify Us of the changes in writing and We will have an additional 10 days to elect to purchase the Franchise Assets proposed to be Transferred on the revised terms and conditions. Additionally, if Your Franchise Business is not Transferred to such third-party within five months after We elect not to purchase the Franchise Assets, You must re-offer the Assets to Us before You may Transfer to another approved third party. We have no obligation to purchase Your Franchise Assets.

14.10 Death or Incapacity and Interim Management. In the event of the death or incapacity of an individual franchisee or the majority owner of the franchisee entity (the term “incapacity” means any physical or mental infirmity that prevents the person from performing the obligations under this Agreement: (i) for a period of 60 or more consecutive days, or (ii) for 100 total days during a calendar year, the heirs or personal representative will have the right to continue Your Franchise Business; for no more than 180 days after such death or incapacity (or such longer period required by the laws of the state where Your Franchise Business is located) the heirs appoint a representative to act in behalf of the heirs in all matters pertaining to Your Franchise Business as provided for new Operating Principals designated managers, or franchisees, Including, the requirements to have the representative trained and accepted by Us in accordance with Our standards. The heirs or personal representatives, instead of operating Your Franchise Business themselves under the foregoing procedures may choose to Transfer Your Franchise Business. If a decision to Transfer is made, the Transfer procedures explained above will apply. If We are required to operate Your Franchise Business for a time due to death or incapacity, or as otherwise allowed under this Agreement, the provisions of Paragraph 6.2.3 above will apply.

14.11 Assumption of Obligations. The parties agree that in the event a court of competent jurisdiction orders You to Transfer to Your spouse, domestic partner, or a third-party all or any part of Your Franchise Assets, such an order will constitute a Transfer of this Agreement and will cause the transferee to be subject to all the terms and conditions concerning Transfers set forth herein above.

14.12 Acquisitions. If We receive an offer to acquire a majority of the franchises or to purchase a majority of Our assets or stock, or to merge or go public or similar transactions, We have the option, but not the obligation, to purchase all Your rights and interests in and under this Agreement and Your Franchise

Business at fair market value payable on terms as reasonably negotiated. The purchase price will not include compensation for any successor term or goodwill. All goodwill belongs to Us. If the purchase option is exercised, You must execute a general release to Us. We will close Our purchase and make payment within 60 days after closing or as soon thereafter as reasonably practical.

14.13 Transfer for Convenience of Ownership. If You are an individual or individuals, You may Transfer this Agreement, to a corporation or limited liability company formed for the convenience of ownership, provided You: 1) give Us at least 15 days' prior written notice of the proposed Transfer; 2) provide copies of the entity's charter documents, bylaws (or operating agreement), ownership interests of the owners, and similar documents, as We may request for Our review to verify ownership and control of the entity; and 3) own all equity and voting securities of the corporation or limited liability company. Additionally, You and the new entity must sign an assumption and assignment in the form required by Us, whereby the transferee assumes all obligations of this Agreement. Any owner with a direct or indirect ownership of 20% or more in Your entity is required to sign Our then-current form of the Guaranty and Assumption of Obligations attached as Exhibit "A-4" hereto. There is no Fee for this kind of Transfer, but You must reimburse Our legal fees to complete the Transfer the amount of which is due upon Our demand of the incurred expenses.

## ARTICLE XV
## RELATIONSHIP OF THE PARTIES

15.1 Independent Contractors. In all matters, You are an independent contractor. Nothing in this Agreement or in the franchise relationship constitutes You as Our partner, agent, employee, joint employer, or joint venturer with Us and this Agreement does not create a fiduciary relationship between You and Us. Neither party is liable for the debts, damages, losses, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors or omissions of the other. You are solely responsible for the management and control of Your Franchise Business, Including, its daily operations, managing and directing Personnel, contractors, and salespersons, and paying all costs and expenses of Your Franchise Business. The parties agree not to hold themselves out by action or inaction contrary to the foregoing and to indemnify each other for any liability, cost or expense Including, attorney's fees, incurred by either of them for any act, omission, finding or result to the contrary. None of Your Personnel will be deemed to be Our Personnel and each Personnel will be so notified by You. Neither party has the authority to act as agent for the other and neither You nor We guaranty the obligations of the other or in any way become obligated for the debts or expenses of the other unless agreed to in writing. You must post promptly and maintain any signs or notices specified by Us or by applicable law indicating the status of the parties as described above.

15.2 Indemnification. You shall defend, indemnify, and hold Us harmless from any and against any and all losses, liabilities, damages, costs and expenses whatsoever, Including, reasonable attorney's fees arising out of or related to, or in any way connected with You or Your acts, errors, negligence, or omissions in the operation of Your Franchise Business or Your Franchise Business generally Including, any allegation that You are Our employee, or that We are a joint employer or otherwise responsible for the acts or omissions relating to Your Personnel, and other laws regarding public accommodations for persons with disabilities. You agree not to file any crossclaim or counterclaim against Us for any action made by a third-party or make any response that would infer or represent We are liable as a party or defendant to any action that is contrary to this Section. This Agreement and the terms in this Article and related terms in this Agreement is a bona fide defense to any claim You may contradictorily make against Us as to Our liability or proportion of fault. You shall bear all costs to defend Us from claims raised by a third-party. If We incur any costs or liabilities to any third-party, You shall reimburse Us for costs associated with Our defense to those claims. We have the right to defend any such claim against Us by employing counsel of Our choice, subject to full reimbursement of all legal fees by You. We will use Our reasonable efforts to cooperate with You in any litigation, judicial or administrative proceeding to avoid duplication of time, effort or expenditure to the greatest extent possible without compromising Our interest in such matter. You are not required to indemnify Us for liability caused by Our willful misconduct, gross negligence, strict liability, or fraud. This indemnity will continue in full force and effect subsequent to and notwithstanding the Termination of this Agreement.

## ARTICLE XVI
## COVENANT NOT TO COMPETE

16.1 In Term Covenants. During the term of this Agreement and for any extensions or Successor Franchises hereof, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever or have any interest in a Competing Business in any capacity, territory, or location, except with Our prior written consent. Your Principals must each execute the standard Brand Protection Agreement for Principals attached as Exhibit "A-5.".

16.2 Confidentiality. During the term of this Agreement and any extensions or Successor Franchises hereof, and at any time after the Termination of this Agreement, You and those over whom You have control shall not make any unauthorized disclosure or use of Our Confidential Information or Intellectual Property other than as authorized by this Agreement. You shall adopt and implement all reasonable procedures to prevent unauthorized use or disclosure of the Confidential Information and Intellectual Property, which procedures may be prescribed from time to time by Us. You shall never contest the validity of Our exclusive ownership of and rights to Our Intellectual Property or Confidential Information. Without limiting the foregoing, any communication (email, paper, etc.) from Us to You cannot be forwarded to another email account You control or share, or forwarded to anyone, Including Personnel, without first receiving Our express written consent.

16.2.1 Prior Disclosures. You acknowledge and agree that prior to the execution of this Agreement, You may have received information and met and corresponded with Our principals, agents and/or representatives, and that any such Confidential Information obtained or received is subject to the protection and restrictions of this Agreement.

16.2.2 Confidentiality of this Agreement. You agree that all terms of this Agreement that are not otherwise made public under franchise disclosure laws will remain confidential, and You will not make any public announcement, issue any press release, publicize, make any confirmation of statements made by third parties concerning the terms of this Agreement, or make any other disclosures without Our prior written consent. It is agreed and understood that You may disclose the confidential terms of this Agreement only to Your professional lenders, advisors, and government authorities.

16.3 Post Term Covenants. Upon Termination of this Agreement and for a continuous, uninterrupted period of two years thereafter, You, Your Principals, and Your Immediate Family, shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business in any capacity, territory, or location within Your Territory or within 20 miles of Your Territory or within 10 miles of the territory of any Wingers® brand business operation at the time of Termination of this Agreement.

16.4 Non-Solicitation of Customers. During the term of this Agreement and for three years after the Termination of this Agreement, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, contact any customer serviced by the Franchise Business, a prospective customer, or any former or then-current customer of Ours (with whom You had contact during the term of this Agreement) for the purpose of soliciting any such customer to a Competing Business. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

16.5 Survival of Covenants; Tolling of Covenants. The foregoing covenants survive the Termination of this Agreement and apply regardless of whether this Agreement was Terminated by lapse of time, by default of either party, or for any other reason. In addition to other remedies available to Us, in the event You violate a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of Your violation, plus an additional six months.

16.6 Acknowledgement of Harm. You acknowledge that Your violation or breach of the covenants and provisions of this Article is likely to cause substantial and irreparable harm to Us and the System. The

existence of any claims You may have against Us, whether or not arising from this Agreement, will not constitute a defense to Our ability to enforce the covenants set forth in this Article.

16.7 Enforceability. It is the desire and intent of the parties to this Agreement that the provisions of this Article be enforced to the fullest extent permissible under applicable laws. If any of the restrictions of this Article are determined to be unenforceable because of duration, scope or coverage or otherwise, then We have the right in Our sole discretion to reduce the scope of any covenant set forth above or any portion thereof, without Your consent, effective immediately upon receipt by You of written notice thereof, which modified covenant will be fully enforceable notwithstanding any other provision of this Agreement.

16.8 Breach of Non-Competition. If You violate Your in-term or post-Termination non-competition covenants, Our remedies Include, recovery of the greater of (a) all profits earned by You in the operation of such Competing Business; or (b) all amounts which would have been due to Us if such Competing Business were a Franchise Business during the period of competition.

16.8 Immediate Family. You acknowledge and agree that the restrictions on Your Immediate Family is necessary because Your disclosing Our Confidential Information or Intellectual Property to Immediate Family or assisting Immediate Family in a Competing Business could potentially circumvent the purpose of this Agreement, and You also acknowledge that it would be difficult for Us to prove whether You disclosed Our Confidential Information or Intellectual Property to Immediate Family or assisted Immediate Family in a Competing Business. You agree to make Your Immediate Family aware of the non-compete, non-solicitation and confidentiality provisions in this Agreement.

## ARTICLE XVII
## DISPUTE RESOLUTION

17.1 Quick Resolution. You and We understand that there is always a possibility of differences of opinion or other disagreements in any business relationship and agree that it is important to resolve any Disputes amicably, quickly, inexpensively and professionally and to return to business as soon as possible.

17.2 Manner of Handling Disputes. In the event any Dispute arises between Us and You in connection with, arising from, or with respect to, any provision hereof, the relationship created herein, or the validity of this Agreement or any provision hereof, or the offer and sale to You, such Dispute will be:

17.2.1 Face-to-Face Meeting. First discussed in a face-to-face meeting between You and Us in Salt Lake City, Utah at Our then-current headquarters, and within 30 days after either You or We give written notice to the other proposing such a meeting. We have the right, in Our sole discretion, to waive this requirement.

17.2.2 Mediation. If, in the opinion of either You or Us, the face-to-face meeting has not successfully resolved such Dispute and if desired by either You or Us, the Dispute will be submitted to non-binding mediation before Franchise Arbitration and Mediation Services (“FAM”) or as otherwise mutually agreed. The mediation will be conducted exclusively in Salt Lake City, Utah. On election by either party, arbitration as provided below may proceed forward at the same time as mediation. The mediator will be disqualified as a witness, consultant, expert or counsel for any party with respect to the Dispute and any related matters. Mediation will not defer or suspend Our exercise of any right, Including termination right under Article XI. All aspects of the mediation process will be treated as confidential, may not be disclosed to others, and may not be offered or admissible in any other proceeding or legal action whatsoever. Should a party refuse to pay its share of the costs and fees in advance of mediation, that party will be in default of this Agreement, and the Dispute may proceed directly to arbitration without mediation.

17.2.3 Arbitration. If in the opinion of either You or Us the mediation has not successfully resolved such matters, at the request of either You or Us, any Dispute will be submitted for arbitration to the offices of the American Arbitration Association in accordance with its commercial arbitration rules in effect. All arbitration hearings will be conducted exclusively in Salt Lake City, Utah and will be governed substantively by the laws of the State of Utah. The arbitrator will have the power and jurisdiction to decide such controversy or

Dispute solely in accordance with the express provisions of this Agreement. The arbitrator will render a written opinion setting forth the facts found, law applied and reasons for the decision.

(i) Arbitration Procedures. In any arbitration the parties will be entitled to specific performance of the obligations under this Agreement. The arbitrator may award or otherwise provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other pre-judgment, equitable and/or interim relief as appropriate pending final resolution by binding arbitration of a Dispute, as well as in connection with any such final resolution, and may issue summary orders disposing of all or part of a Dispute at any point. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction. Offers and/or other communications made in connection with, or related in any way to, mediation, possible settlement or other resolution of a Dispute will not be admitted into evidence or otherwise used in connection with any arbitration or other proceeding, and any arbitration award in violation of this provision will be vacated by the arbitration appeal panel (described below) and/or any court having jurisdiction. The arbitrator will have the power to order compliance with such discovery procedures, as well as assess sanctions for non-compliance with any order. Discovery will be controlled by the arbitrator and will be permitted to the extent set out in this Paragraph. Each party may submit in writing to the other party, and the other party will respond, to a maximum of any combination of 25 (none of which may have subplots) of the following: interrogatories, demands to produce documents, and requests for admission. You and We are also entitled to take the oral deposition of one individual of the other party. Additional discovery may be permitted upon mutual agreement of the parties. Any procedural or evidentiary issues that are not covered by the federal arbitration act or this Agreement, will be supplemented by the federal rules of civil procedures and evidence, limited to the arbitration restrictions and procedures. The arbitrator, and not a court, will decide any questions relating in any way to the parties' agreement or claimed agreement to arbitrate, Including, a claim for fraud in the inducement or otherwise. Each participant must submit or file any Dispute that would constitute a compulsory counterclaim (as defined by the applicable rule under the Federal Rules of Civil Procedure) within the same proceedings as the Dispute to which it relates. Any such Dispute that is not submitted or filed in such proceedings will be forever barred. The award and findings of the arbitrator will be conclusive and binding upon all parties hereto and the judgment upon the award may be entered in any court of competent jurisdiction.

(ii) Individual Disputes. All Disputes must be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff, or similar basis between You and Us and will not be consolidated with any other arbitration or court proceeding involving Us and any other party. You thereby fully waive any right You may have to any potential class action claim and agree that any legal action will only be on an individual party basis.

(iii) Agreed Limitations. Except for payments owed by one party to the other, or claims attributable to Your underreporting of sales, indemnification under Article XV, or claims related to an act of Yours allowing Us to immediately terminate this Agreement, any legal action or arbitration proceeding (Including, the offer and sale of a franchise to You) brought or instituted with respect to any Dispute hereunder must be brought or instituted within one year from the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; provided that no claim may be brought more than two years after the first act or omission giving rise to an alleged claim. The initiation of mediation or arbitration hereunder will toll the application statute of limitations for the duration of any such proceedings.

(iv) Limited Damages. You and We waive any right or claim of any consequential, punitive or exemplary damages against each other and agree that in the event of a Dispute between You and Us, each will be limited to the recovery of actual damages sustained, except for breach of the Intellectual Property covenants set forth in Article III herein. Notwithstanding the above, nothing shall be construed to limit Our ability to collect liquidated damages.

(v) Exceptions to Arbitration. You and We agree that nothing in this Agreement obligates Us to arbitrate or mediate Disputes or issues relating to: (a) the validity of the Marks, or any trademarks, service marks or other Intellectual Property; (b) rights to obtain a writ of attachment or other prejudgment remedies; (c) rights to receive and enforce a temporary restraining order, preliminary injunction,

permanent injunction or other equitable relief; or (d) Disputes solely for fees and other monies owed by one party to the other under this Agreement.

(vi) Appeals. If any party to an arbitration wishes to appeal any final award by an arbitrator (there will be no appeal of interim awards, or other interim relief), that party can appeal, within 30 days of such final award, to a three-person arbitrator panel to be appointed by the same organization as conducted the arbitration to be held exclusively at the same location as specified above. The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not Include any trial *de novo* or other fact-finding function. The party that requests such appeal must pay all costs and fees of the arbitrators and arbitration proceedings, subject to reimbursement as set forth below.

(vii) Sharing of Fees. Except for an appeal, the parties to the Dispute or action will share the fees and expenses of the mediation and the arbitration equally during the mediation and arbitration. If a party is unable or unwilling to pay its share of the cost of the mediation or arbitration, that party will be in default of this Agreement, and the non-defaulting party will have the following options: 1) to proceed directly to arbitration without mediation or proceed to litigation if the failure is to pay arbitration fees; or 2) the cover the costs of the mediator or arbitrator. Nonetheless, the prevailing party in arbitration, Including on appeal, will be awarded costs and attorney's fees as set forth in Section 19.3 below.

(viii) Federal Arbitration Act. You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law and will be decided by the arbitrator. All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced, and You and We will rely on federal preemption under the Federal Arbitration Act.

17.3 Continued Performance. During the pendency of any Dispute or any such interim relief proceeding, the parties shall continue to perform their respective obligations under this Agreement.

## ARTICLE XVIII
## NOTICES

18.1 Notices. All notices permitted or required under this Agreement must be in writing and delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by facsimile transmission when confirmed by facsimile transmission, during normal business hours, Monday through Friday, holidays excepted; (iv) by sending an email to the email address below or other verified email address when confirmed by receipt verification, which verification will not be withheld or otherwise denied; or (v) by certified or registered mail, return receipt requested, addressed as follows:

| **FRANCHISOR:** | **FRANCHISEE:** |
|---|---|
| Winger's Franchising, Inc.<br>3950 South 700 East #302<br>Salt Lake City, Utah 84107<br>(or Our then-current headquarters)<br>Email: SUPPORT@WINGERBROS.COM<br><br>With a courtesy copy to (which will not act as notice or service to Winger's Franchising, Inc.):<br>The Franchise & Business Law Group<br>Attn: Kara K. Martin<br>222 South Main Street, Suite 500<br>Salt Lake City, Utah 84101<br>Email: KMARTIN@FBLGLAW.COM | _____<br>_____<br>_____<br><br>Email: _____ |

18.2 Delivery. If You refuse or fail to accept any certified or overnight delivery, acceptance will be deemed to have occurred 48 hours after rejection or failure to accept such notice. Any notice delivered by mail in the manner herein specified will be deemed delivered and received 3 days after mailing.

18.3 Listed Addresses. The address specified herein for services of notices may be changed at any time by the party making the change by giving written notice to the other party by certified mail or as otherwise agreed by You and Us. Any notice to You may be delivered to the address set forth above or to the address of Your Franchise Business or office.

## ARTICLE XIX
## CONSTRUCTION AND JURISDICTION

19.1 Governing Law. Except as provided in Section 19.5, this Agreement will be governed, construed and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. You and We agree that the provisions of this Agreement will control the state or provincial laws by which this Agreement will be governed and any provisions of state or provincial law to the contrary or any statements in Our franchise disclosure document or otherwise required as a condition of registration or otherwise. If the governing law requires terms other than or in addition to those in this Agreement, then such terms will be deemed incorporated herein but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability. To the extent permitted by the laws of the state whose laws govern this Agreement, You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect.

19.2 Jurisdiction. In order to facilitate our joint interests in having franchise issues determined in a consistent manner for application throughout the System, without in any way limiting or otherwise affecting Your and Our obligations regarding mediation and arbitration in accordance with the provisions of Article XVII, if there is any litigation between us, You and We hereby irrevocably consent to the exercise of general personal and subject matter jurisdiction in the courts of record of the state of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and You and We agree that Salt Lake City, Utah will be the exclusive venue for any litigation between Us and You. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Salt Lake City, Utah.

19.3 Costs and Attorney's Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties are entitled to reasonable attorney's fees and other costs reasonably incurred in such action or arbitration or litigation proceeding. The costs of mediation will also be awarded to the prevailing party in arbitration or litigation, if applicable. For purposes of this Agreement, "prevailing party" Includes, the party which obtains a judgment in their favor, or agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or which obtains substantially the relief sought. Reimbursement is due within 30 days of written notice after prevailing.

19.4 No Jury Trial. You and We waive, to the fullest extent permitted by law, all rights to trial by jury in any action or Dispute, whether at law or in equity, brought by either party.

19.5 Exception. Notwithstanding the foregoing, the Federal Arbitration Act (9 U.S.C. §§ 1 Et. Seq.) and the United States Trademark Act (Lanham Act, U.S.C § 1051 Et. Seq.) will apply to this Agreement and the relationship of the parties and preempt any state law to the contrary.

## ARTICLE XX
## MISCELLANEOUS

20.1 Headings. Headings used in this Agreement are for reference and convenience purposes only and are not to be used in construing the provisions of this Agreement. As used herein, the male or female gender will include the other and the neuter. The singular will include the plural and the plural will include the singular as appropriate.

20.2 No Third party Rights. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third parties will have any right or claims, benefit or right or a third-party beneficiary under this Agreement or any provision hereof. Similarly, You are not entitled to claim any rights or benefits, Including those of a third-party beneficiary, under any contract, understanding or agreement between Us and any other person or entity, unless that contract, understanding or agreement specifically refers to You by name and specifically grant rights or benefits to You.

20.3 Authority. Where an entity is a party to this Agreement, the person or persons signing this Agreement on behalf of the entity warrant to Us that they have the requisite authority to sign this Agreement. At Our request, the concerned company signatory agrees to promptly provide Us with a certified copy of the resolution authorizing the execution of this Agreement and naming the officers, directors, members, or managers of the entity who are authorized to sign this Agreement on behalf of the entity. No field representative or salesperson has the right or authority to sign this Agreement or make oral representations or written modifications hereof on Our behalf.

20.4 No Partial Payments. No payment by You or receipt by Us of any amount less than that required to be paid under this Agreement, or otherwise, to Us or any person or entity affiliated with Us, will be deemed to be anything except payment on account, regardless of any endorsement to the contrary contained on any such payment or in any oral or written communication transmitted in connection therewith.

20.5 Joint and Several Liability. If more than one person, corporation, limited liability company, partnership or other entity, guarantor or any combination thereof, sign this Agreement on behalf of the franchisee the liability of each will be joint and several. All members of a general partnership and all members of any association or other unincorporated entity, which is part of the franchisee hereunder, are jointly and severally liable for Your performance hereunder.

20.6 No Off-Set or Withholdings. You shall not offset or withhold the payment of any Fees, payments or other amounts due to Us or Our affiliates or suppliers on grounds of the alleged non-performance by Us of any of Our covenants or obligations hereunder, any Dispute of any nature or otherwise.

20.7 Disclosure. We can disclose, in disclosure documents or otherwise, information relating to Your Franchise Business, Including Your name, address, phone numbers, financial information, copies or reports, and other information.

20.8 Binding Agreement. This Agreement is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

20.9 Force Majeure. Neither party will be liable by reason of any failure or delay in the performance of such applicable party's obligations hereunder on account of strikes, fires, flood, storm, explosion, government shutdown or mandate, or other similar causes which are beyond such party's reasonable control. This Section will not be interpreted to relieve You from Your obligation to pay Us when due all payments required to be made by You under this Agreement.

20.10 Entire Agreement. The parties intend this Agreement and all attached exhibits hereto to be the full and complete agreement between Us and You and the entire integration of all our understandings of every nature concerning the matters contained in this Agreement or in any way related thereto, whether oral or written, and whether occurring before or contemporaneously with the execution of this Agreement. You represent and acknowledge that no agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between You and Us except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further or additional rights of either You or Us. Nothing in this Agreement, or in any related agreement, is intended to be a disclaimer of the representations We made to You in the franchise disclosure document. If any term of this or Agreement is determined as void and unenforceable, the remaining terms and duties under this Agreement will still be considered enforceable and severable as if it was its own separate agreement from the voided term.

20.11 Amendments. No amendment, change or variance from this Agreement will be binding on either party unless executed in writing and signed by both parties; however, the Manuals and policies and procedures may be modified by Us from time to time as set forth in this Agreement, and are binding.

20.12 Effective Date. Delivery of a draft of this Agreement to You does not constitute an offer. This Agreement will become effective only when executed and accepted by Us.

20.13 No Course of Dealing. No course of dealing between You and Us will affect Your or Our rights under this Agreement or otherwise.

20.14 No Representations. You understand that the success or failure of Your Franchise Business depends, in major part, upon Your efforts. You agree that We have not made nor have You received any promise, representation or warranty that: 1) any payments by You are refundable at Your option; 2) We will repurchase any rights granted hereunder; 3) You will achieve any particular sales, income or other levels of performance, or that You will be successful in Your Franchise Business licensed by this Agreement; 4) You will have any exclusive rights of any type other than as expressly set forth herein; 5) You will receive any level of Marketing assistance, site location, development or other services, operational assistance or otherwise other than as expressly set forth in this Agreement; 6) You will not be required to obtain any licenses or permits in order to operate Your Franchise Business; 7) any location or territory will be successful; or 8) that You will be awarded additional or further franchises or other rights, except as expressly set forth in a written document signed by Us.

20.15 Variances. You understand and agree that: 1) We may have offered franchises in the past, may currently be offering franchises or may offer franchises in the future, on economic or other terms, conditions and provisions which may significantly differ from those offered by this Agreement and any related documents; and 2) there may be instances where We have varied, or will approve exceptions to or changes in the uniform standards, or the terms on which We offer franchises, the charges We make, or otherwise deal with Our franchisees to suit the circumstances of a particular transaction as We believe necessary or desirable under particular circumstances. You have no right to object to such variances or to obtain the same variances for Yourself.

20.16 No Misrepresentations. You further represent to Us, as an inducement to Our entry into this Agreement, that You have made no misrepresentations in obtaining the award of this franchise.

20.17 Representations of Non-Violation. You represent and warrant that You may enter into this Agreement and that the execution and performance of this Agreement will not be in violation or breach, or cause the violation or breach, of any agreement or covenant between any third party or the violation or breach of any order, decree or judgment of any court or administrative agency.

20.18 FDD Acknowledgement. You represent that You have had a copy of Our franchise disclosure document ("FDD") for at least 14 calendar days or 10 business days, whichever is applicable in Your state, prior to signing this Agreement or making any payment to Us.

20.19 Waiver. We may, in writing, unilaterally waive any of Your obligations or requirements under this Agreement. Waiver by Us of any particular default by or obligation of You will not affect or impair Our rights with respect to any subsequent default by You or any of Our other rights to declare the same or subsequent acts a breach or default. Unless otherwise agreed to by Us in writing, Our acceptance of any payments due from You does not waive any prior defaults.

20.20 Counterpart and Electronic Signatures. This Agreement and its Exhibits may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature with full legal force and effect and may be used for all purposes as if it were an original.

20.21 Owners of the Franchise. You represent and We rely upon Your representations in entering into this Agreement that the individuals in Exhibit "A-2" are all of the Owners of and sole holders of a legal and beneficial interest in the franchise entity and in Your Franchise Business.

20.22 Drafting; Rules of Construction. You acknowledge that You have read this Agreement, have had the opportunity to review it with an attorney of Your respective choice and have agreed to all its terms. The rule of construction that a contract be construed against the drafter will not be applied in interpreting this Agreement. Terms used in this Agreement that are not defined must be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision must be given the meaning that renders it enforceable.

## ARTICLE XXI
## DEFINITIONS

"Competing Business" means a full-service American-cuisine restaurant business, a wings or chicken restaurant, or a business offering products or services the same as or substantially similar to those offered as part of Your Franchise Business or as part of the System during the term hereof or at the time of Termination. This includes creating and management of a restaurant business for the general public as a whole including the offering of any actual or related products and services we offer on Our menu. It also includes entering into substantially similar agreements with vendors and third parties for the operation of a restaurant business. It also includes the use of any practices, recipes used in the management of a restaurant business as well as the use of any client or customer lists.

"Confidential Information" means any non-public information (through no fault of Yours) relating to Our products or services, or operation of a Wingers® brand business, the System, or relating to the System as a whole, Including: (i) methods, techniques, formats, specifications, procedures, and systems; (ii) hardware, software, proprietary technology, and equipment; (iii) sales and Marketing programs, sales techniques, pricing, bidding methods, etc.; (iv) the development and operation of Wingers® brand businesses; (v) knowledge of, specifications for, and suppliers of, certain Wingers® system or branded products, materials, supplies, equipment, furnishings and fixtures; (vi) operating results, margins, expenses, and financial performance of Wingers® brand businesses; (vii) strategic plans and concepts for the development, operation, or expansion of Wingers® brand businesses; (viii) the contents of the Manuals; (ix) all Customer Data; (x) login, passwords, access information, etc., to email accounts, Social Media, Manuals or other internal sites or shared documents (xi) Intellectual Property that is generally deemed confidential; (xii) all Innovations; (xiii) Recipes; and (xiv) any other information obtained from Us in confidence at any time by virtue of the franchise or license relationship.

"Copyright Materials" means, even if it is not federally registered, writings, manuals, designs, blueprints, schematics, drawings, artwork, Marketing materials, agreements, contracts, scripts, pamphlets, instructions, books, literary works, documents, photographs, images, audio, music and jingles affiliated with the brand, videos, recordings, Social Media posts, software, websites and website data, apps, or any other work We, You, other franchisees, or Our affiliates make that is in a fixed tangible medium as part of the &&™/® franchise system and authorized for use under the System.

"Customer" and "Client" whether or not capitalized have interchangeable meanings in this Agreement.

"Customer Data" means any and all customers and customer and prospective customer data and lists, Including phone numbers, mailing addresses, name and contact information for key personnel of the customer, emails, Social Media followers' information, etc., even if maintained by You or deemed to have arisen through Your activities as well as payment activity, demographic information, product and services purchases and use, and their frequency as well as any feedback and reviews and any other information You or We may collect on such customers through Our system and processes either electronically or on paper or other means that You are legally allowed to collect and share with Us under state or federal law and under this Agreement. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

"Fees" refers to those fees, payments, and costs that You are required to pay Us as more fully set forth on Exhibit "A-3."

"Franchise Assets" means this Agreement, or any of rights or privileges associated with this Agreement, or any shares or units in the ownership of Your entity, Your Franchise Business, or substantially all Your assets.

"Gross Sales" Includes the total of all sales of all goods and services sold, traded, bartered, or rendered by You and income of every kind and nature Including the value of a trade or other bartering, arising from Your Franchise Business and tangible property of every kind sold by You during the term of this Agreement. Gross sales also Includes insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" excludes bona fide credits or returns excludes amounts paid by You for sales or use taxes on the sale of any products or services.

"Immediate Family" means spouses, domestic partners, parents, stepparents, children, stepchildren, sons-in-law, and daughters-in law.

"Innovation" means any idea conceived or developed, or any actual improvement, change, modification, enhancement, or addition to the System, Including to Your Franchise Business, Copyright Materials, Manuals, Confidential Information, website, Social Media, Marketing materials, apps or any other documents or information pertaining to or relating to the System, or any Intellectual Property related to the System, or any creative concepts, Marketing ideas, or inventions related to the System, and all derivatives thereof, whether implemented in the System or not.

"Including" or "Includes" means "including, but not limited to", "including, without limitation," and similar all-inclusive and non-exhaustive meanings.

"Intellectual Property" means all Marks, trade dress, names, Copyright Materials, systems, patents, patent applications, and trade secrets.

"Interim Management Period" refers to the period of time during which We step in to manage Your Franchise Business as allowed under this Agreement.

"Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use our trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or Social Media; or wikis, podcasts, online content sharing communities, or blogging.

"Lease" means a commercial lease or other document of occupancy of the Premises.

"Manuals" consists of one or more guides or manuals, Including an operations manual, brand standards manual, training manuals, and/or policies and procedures manual, technical bulletins, online drives or portals, or other written materials as may be developed, modified and supplemented by Us periodically. The Manuals may be printed or in an electronic format in Our discretion.

"Marketing" or "Market" Includes advertising, brand development, promotion, public relations campaigns, content creation, influencer incentives or compensation, market research, and other related processes.

"Marks" means federally registered and common law names, trade names, trademarks, slogans, catchphrases, service marks, colors, font schemes, logos and/or commercial property or symbols owned by Us, whether now or later developed, used in connection with the System.

"Operating Account" means that account into which all receipts of Your Franchise Business must be deposited.

"Operating Assets" means Your assets, contracts, inventory, supplies, furniture, equipment, signs, service vehicles, accessories, and other personal property relating to Your Franchise Business.

"Operating Principal" is: a) You if You as the franchisee are an individual; or b) if You are an entity, an individual that owns at least 20% of the ownership and voting interests in the franchisee entity (unless You obtain Our written approval of a lower percentage), has authority over all business decisions related to the Franchise Business, and has the power to bind You in all dealings with Us.

"Owner" means a shareholder, member, partner, general partner, limited partner, and the like.

"Participant" means an owner, operator, shareholder, director, partner, member, manager, consultant, agent, employee (management-level or higher), contractor, advisor, officer, lessor, lessee, licensor, licensee.

"Personnel" means any individual or entity engaged by the Franchisee to perform work or services in connection with the Franchised Business, Including employees, independent contractors, temporary workers, consultants, agents, subcontractors, interns, and volunteers, whether compensated or uncompensated.

"Principal" means Owners, directors, members, managers, officers and principal employees and contractors.

"Recipes" means Our recipes, kitchen books, ingredients, flavors, compositions, mixes, batters, syrups, spices, sauces, fillings, frostings, toppings, dressings, cook temperatures, cook or mix times, measurements, portions, sizes, food appearance, plating, tastes, menus, preparation techniques, methods, and formulas, etc., related to Our food or drink products and menu items.

"Shall" when used in this Agreement (even if not capitalized) means must, mandatory, or other similar affirmative obligation, as the context requires.

"Social Media" means any and all websites, apps, and web or Internet pages for social interaction, business operation, Marketing, and other online information communications and/or sales, whether now or later developed.

"System" Includes the Franchise Business, specific Marks, interior design, store layout and décor, color schemes, standards, Manuals, Recipes, processes, services, know-how, operating procedures and Marketing concepts, business formats, specifications for and the use of certain equipment, the sale of products, food and supply items, and the use of proprietary and Confidential Information and other Intellectual Property

"Termination" or "Terminate" Includes expiration, non-renewal, repurchase of Your rights, non-granting of a Successor Franchise, transfer, or any other means by which this Agreement is no longer in effect, and You are no longer a franchisee of the Wingers® brand System of restaurants.

"Transfer" Includes any direct or indirect assignment, transfer, division, trade, sale, gift, pledge, sublicense, mortgage, granting of any security interest, or sale at judicial sale or under power of sale, conveyance or retention of collateral in satisfaction of debt, or other procedure to enforce the terms of any pledge, encumbrance, or security interest.

"Update" Includes renovations, remodeling, redecorating, redesigning, refixturing, upgrading, refurbishing, modernizing, etc.

"We," "Our(s)" or "Us" only as applied to Paragraphs 2.2.3, 10.1.1, 10.1.2, and 14.8.7, and Sections 3.1, 3.5, 6.6 and 16.4 and Articles XI and XV, Includes Our predecessors, affiliates, parents, subsidiaries,

successors, and assigns and Our officers, directors, Owners, managers, Personnel, agents, development agents, or others with whose conduct We are chargeable, as applicable.

"Wingers®" "Wingers system" or "Wingers Restaurant and Alehouse™" in addition to any definition internally above, means Our brand of restaurants, and Our trade name and those products, and systems related to or used in Our System.

"You" or "Your" Includes all signers of this Agreement, all current and subsequent guarantors, all subsequent and current Owners, Operating Principals, managers, directors, officers, agents, affiliates, principal Personnel, and with those whose conduct You are chargeable.

IN WITNESS WHEREOF, the parties have respectively signed this Franchise Agreement effective as of the day and year first written above.

FRANCHISOR:

WINGER'S FRANCHISING, INC.

By: _____
(Signature)

Name: Eric Slaymaker
Title: CEO

FRANCHISEE:

_____

By: _____
(Signature)

Name: _____

Title: _____

By:_____

_____, personally

(if no entity formed to sign)

By: _____

_____, personally

(if no entity formed to sign)

**EXHIBIT "A-1"**
**TO THE FRANCHISE AGREEMENT**

**SEARCH AREA AND TERRITORY:**
**(Map may be attached)**

1. Your Search Area in which to select Your Premises location is as follows:

_____
_____

_____
Franchisee Initial and Date

_____
Franchisor Initial and Date

(#2 and #3 to be filled out *after* a premises has been approved)

2. Your approved Premises is to be located at (may be filled in later if the approved Premises is not known at the time of signing the Franchise Agreement):

_____
_____

3. Your Territory is a 4 driving miles radius from Your approved Premises location.

**Our approval of the site is not a guarantee or a warranty**
**of the potential success of a location.**

_____
Franchisee Initial and Date

_____
Franchisor Initial and Date

**EXHIBIT "A-2"**
**TO THE FRANCHISE AGREEMENT**

**COMPANY REPRESENTATIONS AND WARRANTIES**

You make the following additional warranties and representations:

You are a (check one):

□ Partnership □ Corporation
□ Sole Proprietorship □ Limited Liability Company

Name of your entity: _____
The state in which your entity was formed: _____
Date of Formation: _____
EIN: _____

The names and addresses of each shareholder, partner, or member holding an ownership interest in the corporation, partnership, or limited liability company (please print or type the information and add extra lines if necessary):

| Name | Address | Percentage of Ownership* |
|---|---|---|
| | | |
| | | |
| | | |

*Corporation: Percentage owned of outstanding voting stock.
*Partnership: Percentage owned in voting and in capital and profits.
*Limited Liability Company: Percentage owned in membership interest.

The names of the officers of the Company (please print or type the information and add extra lines if necessary):

| Name | Title | Manager/Officer |
|---|---|---|
| | | |
| | | |
| | | |

The address where Your corporate records are maintained is: _____
_____.

The name and address of the Operating Principal who has been approved by Us and who will be directly responsible for supervising Your business operations and who has authority to work with us and make decisions relating to the operations of the Franchise Business:
Name: _____
Address: _____
Email: _____
Phone:_____

You must provide Us a copy of Your articles of organization and operating agreement or articles of incorporation and bylaws **within one week of the date below**. Your entity documents must state that Your entity will be used solely for the purpose of operating the Franchise Business.

Dated _____.

FRANCHISEE:

_____

By: _____
(Signature)

Name: _____

Title: _____

**EXHIBIT "A-3"**
**TO THE FRANCHISE AGREEMENT**

**FEE CHART[1]**

| Type of Fee | Amount | Notes |
|---|---|---|
| Initial Franchise Fee | $40,000 | See Section 5.1 |
| Royalty | 4% of Gross Sales | See Section 5.2 |
| Creative Development Fund Fee | Currently, 1% of Gross Sales and up to 4% | See Paragraph 5.3.1 |
| Successor Franchise Fee | $3,000 | See Paragraph 2.2.4 |
| Relocation Fee | $2,500 plus $250[1] per day per representative | See Section 4.5 |
| Local Marketing Requirement | Currently, 1.5% of Gross Sales and up to 2% | See Paragraph 5.3.2 |
| Marketing Cooperative | Up to 4% of gross sales of Gross Sales | See Paragraphs 5.3.3 and 10.2 |
| Late Fees[1] | 10% of the amount owed and $50 per day for each report, up to a maximum of $500 per fee per month | See Paragraphs 5.4.4 and 5.4.5 |
| Interest[1] | 18% interest, or the maximum interest allowed by state law | See Paragraphs 5.4.3 and 5.4.4 |
| Fee for Changing Banks Without Prior Notice to Us[1] | $50 | See Paragraph 5.4.4 |
| Non-Sufficient Funds Fee[1] | $50 per bounced check or insufficient draft, or the maximum allowed by state law | See Paragraph 5.4.4 |
| Sales or Use Tax | Sum equal to tax imposed | See Paragraph 5.4.6 |
| Accounting Report Fee | 1% Royalty increase | See Section 5.5 |
| Audit Charge | Cost of audit | See Paragraph 5.5.2 |
| System Non-Compliance Fees and Charges[1] | Amounts to be specified in the Manuals. Ranging between $50 and $1,500. | See Section 5.9 |
| Technology Fee[1] | $370 per month | See Section 5.10 |
| Additional Trainees at Initial Training[1] | $250 per person/per day | See Paragraph 6.1.4 |
| Replacement Training[1] | $250 per person/per day | See Paragraph 6.1.4(i) |
| Additional Training[1] | $250 per day, per person | See Paragraph 6.1.4(iii) |
| Rescheduling Fee[1] | $500 plus reimbursement of Our incurred costs | See Paragraph 6.1.4(v) |
| Insurance Reimbursement Fee | Varies | See Paragraph 6.1.12(ii) |
| Administrative Fee | 115% of the premium cost | See Paragraph 6.1.12(ii) |
| PCI and DSS Audit Reimbursement Fee | Reasonable costs of the audit | See Paragraph 6.1.14(v) |
| Conference / Seminar Fee[1] | $500 per person | See Paragraph 6.1.15 |
| Gift and Loyalty Card Programs | Currently no charge; any future monthly fee amount is still to be determined | See Paragraph 6.2.2(ii) |
| Compliance Inspection Fee | Our travel costs | See Section 6.2.2(iv) |
| Consumer Complaint Fee[1] | $50 per incident, plus costs | See Paragraph 6.2.2(vi) |
| Interim Management Fee | 6% of gross sales per day | See Paragraph 6.2.3 and Section 14.10 |
| Opening Assistance Fee | Reimbursement of travel, food | See Paragraph 7.3.1 |

| Type of Fee | Amount | Notes |
|---|---|---|
| | and lodging expenses of Our representatives | |
| Website Maintenance Fee[1] | $25 per month | See Section 7.5 |
| Supplier Approval Fee[1] | Minimum fee of $500 and any additional reasonable expenses | See Section 8.3 |
| Replacement Costs[1] | Our costs, plus $50 per hour for our time | See Section 8.4 |
| Additional Copies of Marketing Materials and Replacement of Manuals | Our reasonable costs, plus 10%, and the costs for shipping and handling | See Sections 9.1 and 10.3 |
| Fees on Default | Our costs associated with Your default | See Section 11.2 |
| Prepaid Services Reimbursement Fee | Amount of unfulfilled Prepaid Services paid to You | See Paragraph 12.1.11 |
| Early Termination Liquidated Damages | Average royalty from the previous 12 months multiplied by 24 months or the remaining term of the Franchise Agreement, whichever is less | See Section 12.5 |
| Post-Termination Non-Compliance Fee[1] | $250 per day | See Paragraph 12.5.1 |
| Transfer Fee | $5,000 plus Our legal fees | See Section 14.5 |
| Minority Interest Transfer Fee | Attorneys' and administrative fees | See Section 14.6 |
| Transferee Training Fee[1] | $250 per person per day | See Paragraph 14.8.5 |
| Indemnification | Varies | See Section 15.2 |
| Dispute Resolution Fees | Varies | See Section 17.2 |

[1] If a fee is subject to change by Us rather than by a third party, the increase will not be more than the equivalent of 10% per year during the term of this Agreement. Costs or fees charged by third parties are subject to change at any time and do not have an annual cap.

**EXHIBIT "A-4"**
**TO THE FRANCHISE AGREEMENT**

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

This GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is entered into and made effective as of _____ by and between WINGER'S FRANCHISING, INC. ("We," "Us" or "Our") and the undersigned Guarantor(s) ("Guarantor(s)") who are the owners of _____ (the "Business Entity").

**1. Scope of Guaranty**. In consideration of and as an inducement to Our signing and delivering the Franchise Agreement dated _____ (the "Franchise Agreement"), each Guarantor(s) signing this Guaranty personally and unconditionally: (a) guarantees to Us and Our successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Franchise Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, any provision in the Franchise Agreement, Including confidentiality and the non-competition provisions. Each Guarantor acknowledges and agrees no subsequent amendment, modification, and/or extension of the Franchise Agreement by and between Us and the Business Entity will affect the enforcement or validity of this Guaranty. Each Guarantor agrees that upon the death of a Guarantor, the estate of such Guarantor will be bound by the obligations of this Guaranty. Each Guarantor agrees that upon the death of a Guarantor, the estate of such Guarantor will be bound by the obligations of this Guaranty.

**2. Waivers**. Each Guarantor waives: (a) acceptance and notice of acceptance by Us of Guarantor(s) obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (d) any right Guarantor(s) may have to require that an action be brought against the Business Entity or any other person as a condition of Guarantor(s) liability; (e) all rights to payments and claims for reimbursement or subrogation which Guarantor(s) may have against the Business Entity arising as a result of Guarantor(s)' execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which Guarantor(s) may be entitled in Guarantor(s)' capacity as guarantors.

**3. Consents and Agreements**. Each Guarantor consents and agrees that: (a) Guarantor(s)' direct and immediate liability under this Guaranty are joint and several; (b) Guarantor(s) must render any payment or performance required under the Franchise Agreement upon demand if the Business Entity fails or refuses punctually to do so; (c) Guarantor(s)' liability will not be contingent or conditioned upon Our pursuit of any remedies against the Business Entity or any other person; (d) Guarantor(s)' liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which We may from time to time grant to Business Entity or to any other person, including, without limitation, the acceptance of any partial payment or performance of the compromise or release of any claims (including the release of other guarantors) and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Franchise Agreement and, where required by the Franchise Agreement, after its termination or expiration.

**4. Enforcement Costs**. If We must enforce this Guaranty in any judicial or arbitration proceeding or any appeals, Guarantor(s) must reimburse Us for Our enforcement costs. Enforcement costs include reasonable fees from accountants, attorneys, attorney's assistants, arbitrators, and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred before, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

**5. Disputes**. Guarantor(s) acknowledge and represent that Guarantor(s) have had an opportunity to review the Franchise Agreement and agree that the provisions of Article XVII (disputes and arbitration) of the Franchise Agreement have been reviewed by Guarantor(s) and by reference are incorporated herein and will govern this Guaranty and any disputes between Guarantor(s) and Us. Each Guarantor(s) irrevocably submits to the exclusive jurisdiction and venue of said arbitration and listed courts.

Nevertheless, Guarantor(s) agree that We may also enforce this Guaranty and awards in the courts of the state or states in which a Guarantor(s) is domiciled. Each Guarantor will be held personally, jointly, and severally liable. Any settlement made between Us and the Business Entity, or between Us and another Guarantor, or any other determination made pursuant to this Agreement will be binding upon the Guarantor(s).

**6. Counterparts**. This Guaranty may be signed in counterparts by electronic signatures and other electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

IN WITNESS WHEREOF, the Guarantor(s) have respectively signed and sealed this Guaranty effective as of the day and year first written above.

**Guarantor(s)**

By: _____

Name: _____

By: _____

Name: _____

By: _____

Name: _____

**Address for Notice**

_____
_____
Email: _____

_____
_____
Email: _____

_____
_____
Email: _____

**EXHIBIT "A-5"**
**TO THE FRANCHISE AGREEMENT**

**BRAND PROTECTION AGREEMENT FOR PRINCIPALS**

This BRAND PROTECTION AGREEMENT FOR PRINCIPALS (the "Agreement") is entered into and made effective as of the effective date listed below by Winger's Franchising, Inc. ("Franchisor") and the undersigned (individually and collectively, the "Principals").

WHEREAS, Principals or his or her or their company entered into an agreement with Franchisor so as to be able to obtain the rights to operate a Wingers® brand Business using the System developed by Franchisor, Including certain Confidential Information of Franchisor ("Franchise Agreement"); and

WHEREAS, Franchisor has developed Confidential Information, which Confidential Information Includes Recipes for the operation of a Wingers® brand Franchise Business and may continue to develop new Recipes and revise current Recipes for use in association with the Wingers® brand System; and

WHEREAS, Principals recognize the value of the System and the intangible property rights licensed under the Franchise Agreement, and the importance of maintaining the Confidential Information, and recognize that the Franchisor's entering into the Franchise Agreement is conditioned upon each Principal entering into this Agreement; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meanings assigned to them pursuant to the Franchise Agreement.

NOW THEREFORE, in consideration of Franchisor entering into the Franchise Agreement with Principals or his or her or their company, the recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Acknowledgment. Principals individually acknowledge that he or she has obtained or may obtain access to Confidential Information and made available to Principals that is necessary and essential to the operation of the Franchise Business, without which information the Franchise Business could not efficiently, effectively and profitably operate. Principals further acknowledge that such Confidential Information was not known to him or her prior to the association with Franchisor.

2. Non-Disclosure and Non-Use. Except as may be required or allowed under the Franchise Agreement, Principals and any of a Principal's Immediate Family, shall not during the term of the Franchise Agreement and any time thereafter, in perpetuity, in directly or indirectly, use, or disclose to any third party, or authorize any third party to use, any information relating to the Franchise Business or interest of Franchisor, Confidential Information, the System, or other information or materials that he or she knows, or reasonably should know, is regarded as confidential to Franchisor. Principals shall also make its Immediate Family aware of this Agreement as well as the non-compete, non-solicitation and confidentiality provisions in the Franchise Agreement. Principals shall also adopt and implement all reasonable procedures prescribed by Franchisor, from time to time, to prevent unauthorized use and/or disclosure of the Confidential Information, Including restrictions on disclosure to Personnel and other third parties.

2.1 Duty to Notify. Principals agree to notify Franchisor of any reasonably suspected attempts to violate the terms or purposes of this Agreement and further agree to require all Personnel to report to it any reasonably suspected attempts to violate this Agreement. In the event it is discovered that Principals knew or had reason to know of any suspected attempts to violate this Agreement, Principals agree to indemnify Franchisor for all costs and fees associated with enforcement, and to reimburse Franchisor for those losses sustained due to such violation.

2.2 Personnel Use of Recipes. Each Personnel authorized to use the Recipes in the operation of the Franchise will be required to sign a confidentiality agreement t prior to use of the Recipes. Furthermore, Principals represent and warrant that they shall only authorize Personnel over the age of 18 to

use or have access to the Recipes. A copy of all such signed agreements will be promptly (within 10 days) provided to Franchisor.

2.3 No Reverse Engineering. Principals shall not either personally, in concert with others, or through other authorization, reverse engineer, decompile or deconstruct or attempt to reverse engineer, decompile or deconstruct any Confidential Information and shall not allow, encourage or permit any partner, owner, director, member, manager, agent, Personnel or other person to do so. For purposes of this Agreement, reverse engineering Includes any deviations from the Recipes that make minimal changes to the process, procedure, or ingredients such that the final result is identical or substantially similar to the result that would reasonably be expected to result from the Recipes.

2.4 Limited Use. Principals shall limit their use of the Confidential Information, Including, their recollection of any part of the Recipes and other parts of the Confidential Information, to the performance of their duties as described in the Franchise Agreement, the Manuals, and any policies and procedures implemented by Franchisor and shall not use the recipes and Confidential Information for any personal use or gain.

3. Non-Competition; Non-Solicitation. The following covenants will be enforced during and after the term of the Franchise Agreement.

3.1 In-Term Covenant. During the term of the Franchise Agreement and for any extensions or Successor Franchises thereof, except as permitted under the Franchise Agreement, Principals and each Principal's Immediate Family, shall not be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business in any capacity or location except with Franchisor's prior written consent.

3.2 Post-Term Covenant. Upon Termination for any reason of the Franchise Agreement, and any extensions or Successor Franchise Agreements thereof, or upon any Transfer or repurchase of a Principal's rights under the Franchise Agreement or the franchise entity, or a Principal's dissociation from the Franchise Business, and for a continuous, uninterrupted period of two years thereafter, Principals, and Principal's Immediate Family, shall not directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever or have any interest in a Competing Business within the former Territory or within 20 miles of the Territory or within 10 miles of the territory of any System franchise or Wingers® brand business operation at the time of such Termination or Transfer. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision. Principals agree that the Franchise Business attracts customers from up to 20 miles, and that such geographical restraint is not unreasonable.

3.3. Non-Solicitation of Customers. Principals shall not, during the term of the Franchise Agreement and any extensions or Successor Franchise and for three years thereafter, directly or indirectly, contact any former or then-current customer of the Franchise Business or Franchisor for the purpose of soliciting such customer to a Competing Business, or any former, then-current customer of Franchisor or an affiliate of the Franchisor (with whom the Principal had contact during the term of the Franchise Agreement), or prospective customer for the purpose of soliciting such a customer to a Competing Business. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

4. Violation of Non-Competition, Non-Solicitation Provisions; Tolling of Covenants. In addition to other remedies available to Franchisor, in the event a Principal violates a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of that Principal's violation.

5. Return of Materials. Upon the Termination of the Franchise Agreement, or a Principal's disassociation from the Franchise Business, each Principal agrees to deliver to Franchisor (and shall not keep a copy in his or her possession or deliver to anyone else) the Wingers® brand Manuals and any and all

Confidential Information.

6. Non-Disparagement. Principals shall not, during and after the term of this Agreement, make any negative, disparaging, false or misleading statements, published or made orally, in any form or medium about Franchisor, Franchisor's officers, owners, partners, directors, members, managers, representatives, agents or Personnel, the brand, the System, Franchisor's products and services, or other franchisees.

7. Irreparable Harm. Principals hereby acknowledge and agree that any breach by him or her of any portion of Sections 1 through 6 above, inclusive, will cause damage to Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisor may be entitled, Franchisor will be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by any Principal of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisor by such breach and without the requirement of posting bond. Additionally, Principals agree that the existence of any claims a Principal may have against Franchisor, whether or not arising from this Agreement or the Franchise Agreement, will not constitute a defense to Franchisor's ability to enforce the covenants set forth in this Agreement.

8. Reasonableness and Enforceability. Principals agree that the terms of this Agreement are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that Principals and/or his or her or their company have and will have with Franchisor. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will Include the feminine and neuter and the singular will Include the plural and conversely. Principals understand that a separate action may be brought or prosecuted against a Principal whether or not the action is brought or prosecuted against any other Principal or against the franchisee, or any or all of them, or whether any other Principal or the franchisee is or are joined in the action. Principals acknowledge and agree that the restrictions related to Immediate Family is necessary because a Principal's disclosing the Confidential Information or Intellectual Property to Immediate Family or assisting Immediate Family in a Competing Business could potentially circumvent the purpose of this Agreement and that it would be difficult for Franchisor to prove whether a Principal disclosed Confidential Information or Intellectual Property to Immediate Family or assisted Immediate Family in a Competing Business.

9. Governing Law and Jurisdiction. The validity, enforcement, construction, rights and liabilities of the parties and provisions of this Agreement will be governed by and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. If for any reason court action is filed, Principals individually consent to the jurisdiction of the courts of record in the state of Utah, and unless the enforcement of this Agreement is brought in connection with a Dispute under the Franchise Agreement (in which case this matter may be handled through arbitration as set forth in the Franchise Agreement), each Principal agrees that proper jurisdiction and venue for all Dispute resolution will be exclusively in the state and federal courts of Utah.

10. Attorney's Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

11. Binding Agreement. This Agreement will bind the successors and assigns of a Principal and his or her heirs, personal representative, successors and assigns. No rights under this Agreement are assignable by any Principal, and any purported assignment will be null and void and of no force or effect.

12. Survival of Covenants. All covenants made in this Agreement by Principals survive the Termination of this Agreement or the Franchise Agreement or Principal's disassociation with the Franchise Business or the System in any way.

13. Modification of Agreement. This Agreement may be amended in whole or in part only by an

agreement in writing signed by the parties.

14. Waiver. Each Principal understands and acknowledges that Franchisor can require the use of cameras at the business premises, and each Principal waives any expectation of privacy in non-private areas of the business premises, e.g., spaces that are not in a bathroom, changing room, etc.

15. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

16. Prior Disclosures. The parties intend that the information disclosed by Franchisor prior to the actual execution of this Agreement constitutes Confidential Information and is subject to all the terms and conditions of this Agreement as if such information has been disclosed following the execution of this Agreement.

**PRINCIPALS INDIVIDUALLY ACKNOWLEDGE THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

DATED_____.

**FRANCHISOR:**
Winger's Franchising, Inc.

By: _____
(Signature)

Name: Eric Slaymaker
Title: CEO

**PRINCIPALS:**

By: _____
(Signature)

Name: _____

By: _____
(Signature)
Name: _____

By: _____
(Signature)
Name: _____

By: _____
(Signature)
Name: _____

[Continuation of Brand Protection Agreement for Principals Signature Page]

**EXHIBIT "A-6"**
**TO THE FRANCHISE AGREEMENT**

**PERSONNEL BRAND PROTECTION AGREEMENT**

This PERSONNEL BRAND PROTECTION AGREEMENT ("Agreement") is entered into as of _____, between _____ ("Franchisee") and _____ ("Disclosed Party"), residing at _____.

A. Franchisee is the holder of a Wingers® brand franchise developed by Winger's Franchising, Inc. ("Franchisor").

B. Franchisor has developed certain confidential and proprietary information for the operation of a Wingers® brand franchise, including without limitation, processes, methods, trade secrets, systems, software, pricing, financial information, customer data and lists, manuals, marketing techniques, and procedures ("Proprietary Information").

C. Included in the Proprietary Information are confidential and proprietary mixes, batters, recipes, fillings, frostings, toppings, flavors, ingredients, sauces, syrups, spices, processes, methods, formulas, temperatures, cook times and measurements and other information relating to the preparation of food items (collectively "Recipes") for use in the operation of a Wingers® brand franchise businesses.

NOW, THEREFORE, in consideration of the employment of Disclosed Party by Franchisee, the parties hereto agree as follows:

1. Acknowledgement. Disclosed Party acknowledges that during the course of his or her employment by Franchisee he or she has obtained or may obtain knowledge of the Proprietary Information and other confidential matters and procedures developed, licensed to or owned by Franchisor and made available to Franchisee, which are necessary and essential to the operation of the business of Franchisee, which without such information, Franchisee could not efficiently, effectively and profitably operate its Wingers® brand franchise. Disclosed Party further acknowledges that such Proprietary Information was not known to him or her prior to the association with Franchisee or its Wingers® brand franchise.

2. Non-Use, Non-Disclosure. Except as may be authorized by Franchisee and only in the performance of duties for Franchisee, Disclosed Party shall not, during the course of his or her employment or at any time thereafter, directly or indirectly, use, or disclose to any third-party, or authorize any third-party to use any portion of the Proprietary Information, and agrees not to copy, transmit, recreate or otherwise reproduce all or any part of the Proprietary Information at any time.

2.1 No Reverse Engineering. Disclosed Party shall not, either personally, in concert with others or through other authorization, reverse engineer, decompile or deconstruct or attempt to reverse engineer, decompile or deconstruct any portion of the Proprietary Information, including without limitation, the Recipes, and will not allow, encourage or permit any partner, owner, director, member, manager, agent, contractor or other person to do so. For purposes of this Agreement, reverse engineering as relates to the Recipes will include any deviations from the Recipes that make minimal changes to the process, procedure, or ingredients such that the final result is identical or substantially similar to the result that would reasonably be expected to result from the Recipes.

3. Duty to Notify. Disclosed Party agrees to notify Franchisor or Franchisee or Disclosed Party's immediate superiors of any reasonably suspected attempts to violate the terms or purposes of this Agreement or to otherwise disclose, copy or reproduce any part of the Proprietary Information. In the event it is discovered that Disclosed Party knew or had reason to know of any suspected attempts to violate this Agreement and fails to report such knowledge, Disclosed Party agrees to indemnify Franchisor and Franchisee for all costs and fees associated with enforcement, and to reimburse Franchisor and Franchisee for those losses sustained due

to such violation. Disclosed Party agrees to cooperate with Franchisor and Franchisee in its or their attempts to enforce the terms of this Agreement and to otherwise protect the Proprietary Information, and to cooperate with Franchisee and Franchisor to the extent Franchisee is obligated to cooperate with Franchisor's attempts to enforce its rights in and to the Proprietary Information.

4. Return of Materials. Immediately upon the termination of employment or its contracted labor, Disclosed Party agrees to deliver to Franchisee or to destroy at Franchisee or Franchisor's instruction and to provide evidence of such destruction (and shall not keep in his or her possession or deliver to anyone else whether in hard or electronic soft copy) any and all records, data, photographs, notes, manuals, lists, correspondence, specifications, materials, other documents or property, or reproductions relating to, directly or indirectly, to the Proprietary Information to which Disclosed Party has in its possession whether in hard or electronic soft copy.

5. Management and Supervisor Personnel/Contractors. Subject to applicable law, this Section 5 will only apply if Disclosed Party is in an management position with Franchisee and/or acts in a supervisory role over other Personnel. "Personnel" in this Agreement means any individual or entity engaged by the Franchisee to perform work or services in connection with its Wingers® brand franchise businesses, including but not limited to employees, independent contractors, temporary workers, consultants, agents, subcontractors, interns, and volunteers, whether compensated or uncompensated.

5.1 Non-Competition. Disclosed Party shall not, during the course of his or her employment by Franchisee, and for one year thereafter, directly or indirectly in any capacity, without Franchisee's prior written consent, engage in a business, or plan for or organize a business, or have any financial interest in, or become an owner, officer, director, shareholder, partner, associate, Personnel (management-level or higher), contractor, agent, representative or consultant in any offering or selling products or services the same or substantially similar to a Wingers® brand restaurant business (collectively, a "Competing Business"). Without limiting the generality of the foregoing, the minimum area of competitive nature will be that area within a 10-mile radius of Franchisee's place of business or any Wingers® brand restaurant business in operation at the time of Disclosed Party's termination of employment. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

5.2 Non-Solicitation of Customers. Disclosed Party shall not, during the course of his or her employment or contracted labor and for one year thereafter, directly or indirectly, contact any customer or former customer of Franchisee for the purpose of soliciting such customers to be a customer of a Competing Business.

6. Non-Disparagement. Disclosed Party shall not make any negative, disparaging, false or misleading statements, published or made orally, in any medium about Franchisee and/or Franchisor (including their respective owners, officers, and Personnel), or the Wingers® brand.

7. Irreparable Harm. In addition to other remedies available to Franchisee and/or Franchisor, in the event Disclosed Party violates a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of Disclosed Party's violation. Additionally, Disclosed Party hereby acknowledges and agrees that any breach by him or her of any portion of Sections 1 through 6 above, inclusive, will cause damage to Franchisee and Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisee may be entitled, either Franchisee and/or Franchisor will be entitled to enforce this Agreement and to seek temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Disclosed Party of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisee or Franchisor by such breach, and without the requirement of posting bond. The existence of a claim against Franchisee or Franchisor will not constitute a defense to enforce the covenants of this Agreement.

8. Modification. Disclosed Party hereby agrees that, without limitation, any modifications, alterations, changes, or improvements conceived, designed, devised, developed, perfected or made by Disclosed Party, whether alone or in conjunction with others, and related in any manner to the actual or

anticipated operation of the Franchisee, or the Wingers® brand system, or to any area of research and development related to the operation of the business, must be promptly disclosed to the Franchisee and will become the property of Franchisor, and Disclosed Party hereby irrevocably assigns, transfers, and conveys any such to Franchisor.

9. Enforceability. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative.

10. Survival of Covenants. All covenants made in this Agreement by Disclosed Party will survive the termination of Disclosed Party's employment with Franchisee or the assignment or termination of this Agreement.

11. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by both parties.

12. Waiver. Disclosed Party understands and acknowledges that Franchisee may employ the use of cameras at the business premises, and Disclosed Party waives any expectation of privacy in non-private areas of the business premises, e.g., spaces that are not in a bathroom, changing room, etc.

13. Attorneys' Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

14. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

15. Third-party Beneficiary. It is agreed and acknowledged that Franchisor is a third-party beneficiary to this Agreement.

16. Prior Disclosures. Disclosed Party acknowledges and agrees that prior to the execution of this Agreement, Disclosed Party may have received information Franchisee, Franchisor and/or their representatives, and that any such Proprietary Information obtained or received is subject to the protection and restrictions of this Agreement.

**DISCLOSED PARTY ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.**

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the dated listed below.

Effective as of _____.

| | |
|---|---|
| FRANCHISEE: | DISCLOSED PARTY (if a minor, see next page): |
| _____ | _____ |
| By: _____ | By: _____ |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |
| | Age (if under 18): _____ |

**For persons under 18 years of age, a parent or legal guardian must sign and complete the following section.**

I, _____ (Parent/Guardian), the undersigned and the parent and natural guardian of _____ (minor's name), hereby acknowledge that I have executed the foregoing Personnel Brand Protection Agreement for and on behalf of the minor named herein. I represent that I have legal capacity and authority to act for and on behalf of the minor named herein. As the natural or legal guardian of such minor, I hereby bind myself, the minor, and our successors and assigns to the obligations and liabilities of the foregoing Personnel Brand Protection Agreement.

DATED _____.

Signature of Parent/Guardian: _____

Name of Parent/Guardian: _____

Address: _____
_____

Phone: _____

[Continuation of Personnel Brand Protection Agreement Signature Page]

## SCHEDULE "A-6.1"
## FRANCHISE RELATIONSHIP ACKNOWLEDGEMENT

Because you are becoming a part of the Wingers Alehouse™/Wingers® brand franchise system, it is important that you understand and acknowledge who is your employer (or the party that hired you as an independent contractor), and who is not.

You have been hired by _____ (Legal Name of Franchisee) ("Franchisee"), which is an independent franchise owner in the Wingers Alehouse™ franchise system (which we call the "System"). Although Franchisee looks the same, has the same name, and is operated the same way as other Wingers Alehouse™ outlets in the System, Franchisee is not part of the same company as those other Wingers Alehouse™ outlets in the System. Winger's Franchising, Inc. is a completely separate company that licenses the name and System to Franchisee. Winger's Franchising, Inc. has devised rules, systems of operation, and policies and procedures that all of its franchisees must follow, including Franchisee, which makes each independent franchise Wingers Alehouse™ outlet look and operate the same way as one another. This way, Winger's Franchising, Inc. manages a System composed of many different franchisee owners, each of whom is independently responsible for operating its own Wingers Alehouse™ outlet.

It is important that you understand that Franchisee is your **only** employer (or is the only party associated with the Wingers Alehouse™ franchise system that hired you as an independent contractor). If you are Personnel of Franchisee, then Franchisee gives you your paycheck, establishes your hours, and is responsible for all decisions relating to your employment relationship. If you are an independent contractor, then Franchisee compensates you, hires you for certain hours or tasks, and provides you with the job description for your services to Franchisee. Winger's Franchising, Inc. is **not** your employer and has not hired you to provide services related to the Wingers Alehouse™ franchise system. If Winger's Franchising, Inc.'s representatives ever give you direction, training, or advice, it is intended only to ensure that the experience of all customers of Wingers Alehouse™ is the same at or through your place of work as it is at other Wingers Alehouse™ outlets in the Wingers Alehouse™ system. The fact that you are trained, or given direction or advice, by Winger's Franchising, Inc.'s representatives does not mean that Winger's Franchising, Inc. is your employer.

If you have any questions about your employment relationship or your contracted relationship or about this Franchise Relationship Acknowledgement, please direct them to your employer (or the party that hired you as an independent contractor), Franchisee.

I have read this Franchise Relationship Acknowledgement, and I understand it. I have had the opportunity to ask any questions that I have about this Franchise Relationship Acknowledgement, and those questions have been answered fully to my satisfaction.

SIGNED: _____

DATE: _____

**EXHIBIT "A-7"**
**TO THE FRANCHISE AGREEMENT**

**LANDLORD'S CONSENT TO ASSIGNMENT**

_____ ("Landlord") hereby consents to an assignment of the lease agreement ("Lease Agreement") Winger's Franchising, Inc. ("Franchisor") for the purpose of securing the obligations of _____ ("Lessee" and "Franchisor's franchisee") to Franchisor. In the event of Lessee's breach of the Lease Agreement, Landlord agrees to provide Franchisor with written notice of any breach of the Lease Agreement that Landlord is required to provide to Lessee. Further, Landlord agrees it will not take any action to terminate said Lease Agreement without first giving Franchisor an opportunity, but not the obligation, to cure said breach for an additional 10 days beyond the applicable cure period granted to the Lessee under the Lease Agreement.

Landlord agrees to provide Franchisor with all information relating to amounts owing, settlement agreements, and all matters related to the Lease Agreement within five days of written request from Franchisor.

Landlord agrees that if Tenant does not timely cure a default under the Lease Agreements, or the Lease Agreement or franchise agreement is terminated, Franchisor will have the right, but not the obligation, for 90 days of such date, to take possession of the premises, and to assume or reassign the Lease Agreement, or sublet the premises to another franchisee for the remaining term of the Lease Agreement; provided that Landlord will have the right to reasonably approve such reassignment or subletting.

Landlord further covenants that so long as Franchisor has not entered into possession of the leased premises Franchisor will not be liable for rent or any other obligation under the Lease Agreement, but that Landlord will look to Lessee for all obligations under the Lease Agreement.

Notices to Franchisor will be sent to: 3950 South 700 East #302, Salt Lake City, Utah 84107.

Landlord Contact Information:

Contact Person: _____
Mailing Address: _____
_____
Email: _____
Phone: _____

LANDLORD:

By: _____
Title: _____
Name: _____

Date: _____

**EXHIBIT "A-8"**
**TO THE FRANCHISE AGREEMENT**

**AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)**

Business Name: _____ **(or)** Store ID Number: _____

I hereby authorize Winger's Franchising, Inc., hereinafter called ("Company"), to initiate debit entries to my checking account or savings account (select one) as indicated below at the depository financial institution named below, hereinafter called ("Depository"), and to debit the same to such account on a recurring basis, commencing as of the date below, and continuing for the term of my franchise agreement with the Company. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of United States law.

Depository Name: _____ Branch: _____

City: _____ State: _____ Zip Code: _____

Phone:_____

Routing Number: _____ Account Number: _____

Type of Account Checking / Savings:_____

I agree to provide accurate banking information and authorize the Company to verify account ownership through a test deposit or other verification methods as required by NACHA rules.

I understand that this authorization will remain in full force and effect through the term of my franchise agreement until I notify the Company in writing that I wish to revoke this authorization. I understand that the Company requires at least 15 days' written notice prior to the proposed effective date of termination to cancel this authorization. Notice shall be provided to the Company at both support@wingerbros.com and 3950 South 700 East #302 Salt Lake City, Utah 84107.

I consent to the use of electronic records and signatures for the purposes of entering into and executing this agreement and any related transactions.

Name: _____ **(or)** Store ID Number: _____
(please print)

Title: _____

Signature: _____ Date: _____

**NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.**

**EXHIBIT "A-9"**
**TO THE FRANCHISE AGREEMENT**

**DIGITAL, SOCIAL MEDIA, AND LISTINGS ASSIGNMENT AUTHORIZATION**

This DIGITAL, SOCIAL MEDIA, AND LISTINGS ASSIGNMENT AUTHORIZATION ("Assignment") is made and entered into as of the Effective Date (listed on the signature page below), by and between the undersigned ("Franchisee") and Winger's Franchising, Inc. ("Franchisor").

RECITALS

WHEREAS, Franchisee has entered into a Franchise Agreement with Franchisor of even date herewith ("Franchise Agreement'); and

WHEREAS, as part of the Franchise Agreement, Franchisee is granted limited rights to use the Wingers Alehouse™ trademarks, trade names, trade dress, and other associated intellectual property (collectively, the "Marks") in conjunction with Franchisee's Wingers Alehouse™ Franchise Business; and

WHEREAS, all capitalized terms used but not defined herein will have the respective meanings assigned to them pursuant to the Franchise Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

1. Franchisee hereby assigns all rights and interest, including all associated goodwill, in the Social Media and other digital media accounts used in the Wingers Alehouse™ franchise business or used or created in any way by Franchisee or third parties to promote or use the Marks, including, Franchisee's Facebook, Instagram, Tik-Tok, Pinterest, Google listings, Twitter, LinkedIn, and Tumblr, email accounts, and the like (collectively the "Social Media Accounts"). Franchisee shall take all action necessary to grant exclusive access of the Social Media Accounts to Franchisor, including providing all passwords and administrative access to such Social Media Accounts.

2. Franchisee hereby assigns and transfers, (or in Franchisor's sole discretion disconnects) the telephone listings, telephone numbers, Including the telephone number(s) listed on Marketing and Social Media Accounts, URL's, Internet sites, and web pages used in the Franchise Business or used or created in any way by Franchisee or third parties to promote or use the Marks to Franchisor (individually a "Listing" and collectively the "Listings").

3. Franchisee represents, warrants, and covenants the following with regard to the Social Media Accounts and Listings:

a. Franchisee has the right to assign the Social Media Accounts and Listings and they are free and clear of all liens and encumbrances.

b. Franchisee shall not, after Termination of the Franchise Agreement attempt to access, control, interfere with, or obstruct the Social Media Accounts and/or Listings.

c. Franchisee shall not prevent or hinder Franchisor from enforcing its rights in or to the assigned Social Media Accounts and/or Listings.

d. Franchisee has not taken, or permitted, and shall not take or permit any action that would prevent Franchisor from enjoying the full benefits of assignment of the Social Media Accounts and/or Listings to Franchisor hereunder whether during the term or after the Termination of the Franchise Agreement.

4. Franchisee hereby directs and authorizes each company associated with, or in control of, the Social Media Accounts and/or Listings to assign, transfer, set over and otherwise authorize Franchisor to take over and control the Social Media Accounts and Listings. If necessary, Franchisee shall execute all documents required by Franchisor to give effect to the assignment of the Social Media Accounts and Listings to Franchisor hereunder.

5. This Assignment applies to all Social Media Accounts and Listings regardless of whether Franchisee is allowed to manage under the Franchise Agreement or was allowed to create, use, manage, or even own Social Media Accounts and/or Listings in the past. To the extent Franchisor does not currently have administrative access to a Social Media Account or Telephone Listing of Franchisee, Franchisee shall immediately grant Franchisor such access.

6. Franchisor hereby appoints Franchisor as its attorney-in-fact for the above transfers, which appointment is coupled with an interest.

7. This Assignment is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

8. This Assignment is governed, construed and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions.

9. This Assignment may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

IN WITNESS WHEREOF, the parties have respectively signed this Assignment effective as of the Effective Date written below.

Dated effective as of _____.

| **FRANCHISEE:** | **FRANCHISOR:** |
|---|---|
| _____ | Winger's Franchising, Inc. |
| By: _____<br>(Signature) | By: _____<br>(Signature) |
| Name: _____ | Name: Eric Slaymaker |
| Title: _____ | Title: CEO |

**EXHIBIT "A-10"**
**TO THE FRANCHISE AGREEMENT**

**FRANCHISEE REPORT**

**We will not ask You to complete the Franchise Report, and We will disregard any answers from You, if You live or plan to operate Your Franchise Business in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington or Wisconsin. Washington Franchisees cannot complete, fill out, or sign this Franchisee Report.**

Please review each of the following questions carefully and provide honest responses to each question.

1. If You have received any oral, written, visual or other claim, guarantee or representation of any sort by Us which stated or suggested any specific level or range of actual or potential sales, income, expenses, profits, cash flow, by any person or entity, except for information (if any) expressly set forth in Item 19 of the Franchisor's disclosure document (or an exhibit referred to therein), please describe what You received and if known, from whom You received the information. If none, please write "none."

   _____
   _____
   _____
   _____

2. If You have received any information or representations inconsistent with the statements in the FDD or Franchise Agreement, please list those below. If none, please write "none."

   _____
   _____
   _____
   _____

**FRANCHISEE:**

_____

By: _____

Name: _____

Title: _____

Date: _____

**EXHIBIT "A-11"**
**TO FRANCHISE AGREEMENT**

**STATE SPECIFIC ADDENDA**

**ADDENDUM TO THE FRANCHISE AGREEMENT**
**FOR THE STATE OF NORTH DAKOTA**

This Addendum to the Franchise Agreement is agreed to this ___ day of _____, 20___, between WINGER'S FRANCHISING, INC. and _____ to amend and revise said Franchise Agreement as follows:

1. Section 5.1 of the Franchise Agreement is amended to include the following language: "Payment of all initial franchise fees owed to the franchisor, or its affiliate, by the franchisee shall be placed in escrow until after all initial obligations owed to the franchisee under the franchise agreement or other agreements have been fulfilled by the franchisor and the franchisee is open for business."

2. The North Dakota Securities Commission requires that certain provisions contained in the Agreement be amended to be consistent with North Dakota Law, including the North Dakota Franchise Investment Law, North Dakota Century Code Addendum, Chapter 51-19, Sections 51-19-01 et seq. Such provisions in the Agreement are hereby amended as follows:

- No general release shall be required as a condition of renewal and/ or transfer which is intended to exclude claims arising under North Dakota Franchise Investment Law.
- In case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorney's fees.
- The statute of limitations under North Dakota Law will apply.
- Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.
- A provision requiring litigation or arbitration to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.
- In the event of a conflict of laws, North Dakota Law will control.
- Franchise may not assent to a waiver of exemplary or punitive damages.
- Franchisee may not assent to a waiver of jury trial, waiver of rights to exemplary or punitive damages, or waiving his rights to any procedure, forum, or remedies provided for by the laws of North Dakota, or consenting to liquidated damages, termination penalties or judgment notes.

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise agreement 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. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the North Dakota Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum understands and consents to be bound by all of its terms.

Winger's Franchising, Inc.

By: _____
Name: Eric Slaymaker
Title: CEO

Franchisee: _____

By: _____

Title: _____

**EXHIBIT "B"**
**TO THE FDD**

**FINANCIAL STATEMENTS**
**(Attached)**

December 31, 2024
December 31, 2023
December 31, 2022

# WINGER'S FRANCHISING, INC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 29, 2024, DECEMBER 31, 2023 AND

JANUARY 1, 2023

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

# WINGER'S FRANCHISING, INC

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

*Independent Auditor's Report*

To the Shareholder
Winger's Franchising, Inc.
Salt Lake City, UT

***Opinion***

We have audited the accompanying financial statements of Winger's Franchising, Inc. which comprise the balance sheets as of December 29, 2024 and December 31, 2023 and the related statements of operations, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Winger's Franchising, Inc. as of December 29, 2024 and December 31, 2023 and the related statements of operations, stockholder's equity, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

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

***Emphasis of Matter***

The financial statements of the Company as of January 1, 2023, were audited by other auditors whose report dated April 20, 2023 expressed an unmodified opinion on those statements.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

***Restrictions on Use***

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezas & Dunlavy

St. George, Utah
March 24, 2025

# WINGER'S FRANCHISING, INC.

## BALANCE SHEETS

As of December 29, 2024, December 31, 2023, and January 01, 2023

| | December 29, 2024 | December 31, 2023 | January 01, 2023 |
|---|---|---|---|
| **Assets** | | | |
| Current assets | | | |
| Cash | $ 125,729 | $ 200,830 | $ 647,842 |
| Accounts receivable | 51,524 | 96,604 | 64,561 |
| Deferred commissions current | - | 8,750 | 1,250 |
| Total current assets | 177,253 | 306,184 | 713,653 |
| Non-current assets | | | |
| Due from related party | 49,169 | 247,151 | 460,107 |
| Net deferred tax asset | 22,135 | 12,599 | 8,875 |
| Deferred commissions, non current | 30,000 | 11,913 | 10,663 |
| Total non-current assets | 101,304 | 271,663 | 479,645 |
| Total assets | $ 278,557 | $ 577,847 | $ 1,193,298 |
| **Liabilities and stockholder's equity (deficit)** | | | |
| Current liabilities | | | |
| Accounts payable and accrued expenses | $ 24,436 | $ 5,982 | $ 48,068 |
| Marketing funds | 3,744 | 85,149 | 149,756 |
| Deferred franchise fees, current | - | 35,000 | 5,000 |
| Total current liabilities | 28,180 | 126,131 | 202,824 |
| Non-current liabilities | | | |
| Notes payable to related party | 287,656 | 320,479 | 304,740 |
| Deferred franchise fees, non-current | 120,000 | 110,000 | 42,654 |
| Total non-current liabilities | 407,656 | 430,479 | 347,394 |
| Total liabilities | 435,836 | 556,610 | 550,218 |
| Stockholder's equity (deficit) | | | |
| Common stock, $.01 par value, authorized 100,00 shares, 1,000 shares issued | 10 | 10 | 10 |
| Additional paid-in-capital | 109,975 | 109,975 | 109,975 |
| Retained earnings (Accumulated deficit) | (267,264) | (88,748) | 533,095 |
| Total stockholders' equity (deficit) | (157,279) | 21,237 | 643,080 |
| Total liabilities and stockholders' equity (deficit) | $ 278,557 | $ 577,847 | $ 1,193,298 |

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

# WINGER'S FRANCHISING, INC.

## STATEMENTS OF OPERATIONS

For the Years Ended December 29, 2024, December 31, 2023, and January 01, 2023

| | December 29, 2024 | December 31, 2023 | January 01, 2023 |
|---|---|---|---|
| Operating revenues | | | |
| Franchise fees | $ 35,000 | $ - | $ 29,471 |
| Royalties | 1,152,171 | 1,070,249 | 1,019,461 |
| Total operating revenues | 1,187,171 | 1,070,249 | 1,048,932 |
| | | | |
| Operating expenses | | | |
| General and administrative | 169,124 | 70,442 | 14,233 |
| Advertising and marketing | 147,597 | - | - |
| Management fee | 455,000 | 464,210 | 455,000 |
| Total operating expenses | 771,721 | 534,652 | 469,233 |
| | | | |
| Other expenses | | | |
| Interest expense | 12,956 | 14,753 | 16,856 |
| Income before income taxes | 402,494 | 520,844 | 562,843 |
| | | | |
| Provisions for income taxes | 81,010 | 140,340 | 131,716 |
| Net income | $ 321,484 | $ 380,504 | $ 431,127 |

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

# WINGER'S FRANCHISING, INC.

## STATEMENTS OF STOCKHOLDER'S EQUITY (DEFICIT)

For the Years Ended December 29, 2024, December 31, 2023, and January 01, 2023

| | Common Stock | | Additional | Accumulated | |
|---|---|---|---|---|---|
| | Shares | Amount | Paid-In-Capital | Deficit | Total |
| Balance at January 2, 2022 | 1,000 | $ 10 | $ 109,975 | $ 1,101,968 | $ 1,211,953 |
| Net income | - | - | - | 431,127 | 431,127 |
| Stockholder dividends | - | - | - | (1,000,000) | (1,000,000) |
| Balance at January 1, 2023 | 1,000 | 10 | 109,975 | 533,095 | 643,080 |
| Net income | - | - | - | 380,504 | 380,504 |
| Stockholder dividends | - | - | - | (1,000,000) | (1,000,000) |
| Adoption of ASC 952-606 | - | - | - | (2,347) | (2,347) |
| Balance at December 31, 2023 | 1,000 | 10 | 109,975 | (88,748) | 21,237 |
| Net income | - | - | - | 321,484 | 321,484 |
| Stockholder dividends | - | - | - | (500,000) | (500,000) |
| Balance at December 29, 2024 | 1,000 | $ 10 | $ 109,975 | $ (267,264) | $ (157,279) |

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

# WINGER'S FRANCHISING, INC.

## STATEMENTS OF CASH FLOWS

For the Years Ended December 29, 2024, December 31, 2023, and January 01, 2023

| | December 29, 2024 | December 31, 2023 | January 01, 2023 |
|---|---|---|---|
| Cash flows from operating activities: | | | |
| Net income | $ 321,484 | $ 380,504 | $ 431,127 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Amortization of deferred commissions | - | - | 587 |
| Amortization of deferred franchise fees | - | - | (29,471) |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | 45,080 | (32,043) | (14,359) |
| Accounts payable and accrued expenses | 18,454 | (42,086) | (8,169) |
| Deferred revenue | (25,000) | 95,000 | 50,000 |
| Deferred contract costs | (9,337) | (8,750) | (12,500) |
| Deferred tax asset | (9,536) | (3,723) | (8,875) |
| Marketing funds | (81,405) | (64,607) | 36,721 |
| Due from related party | 197,982 | 212,954 | 534,158 |
| Net cash provided by operating activities | 457,722 | 537,249 | 979,219 |
| Cash flows from financing activities | | | |
| Stockholder dividends | (500,000) | (1,000,000) | (1,000,000) |
| Notes payable to related party | (32,823) | 15,739 | 16,824 |
| Net cash used in financing activities | (532,823) | (984,261) | (983,176) |
| Net change in cash and cash equivalents | (75,101) | (447,012) | (3,957) |
| Cash and cash equivalents at beginning of period | 200,830 | 647,842 | 520,083 |
| Cash and cash equivalents at end of period | $ 125,729 | $ 200,830 | $ 516,126 |
| Supplemental disclosures of cash flow: | | | |
| Cash paid for interest and taxes | $ 20,778 | $ 11,801 | $ - |

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

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

*(a) Nature of Business*

Winger's Franchising, Inc. (the "Company") was organized in the State of Utah on March 4, 1997 as a Utah corporation. The Company is a franchisor of "Wingers" restaurants.

The Company uses the accrual basis of accounting, and their accounting period is 52/53-week annual accounting period. Under this method the annual accounting period ends on the Sunday closest to December 31 of each year. Fiscal year for 2024 ended December 29, 2024.

*(b) Accounting Standards Codification*

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

*(c) Use of Estimates*

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

*(d) Reclassification*

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

*(e) Cash and Cash Equivalents*

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 29, 2024, December 31, 2023 and January 1, 2023, the Company had cash and cash equivalents of $125,729, $200,830, and $647,842 respectively.

*(f) Accounts Receivable*

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

When determining the allowance for doubtful receivable, the Company has adopted ASC 326, *Financial Instruments—Credit Losses*. This standard requires that Management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected credit losses over the life of the financial instrument. For trade receivables, Management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. As of December 31, 2024, 2023, and 2022, the Company had no allowance for uncollectible accounts.

As of December 31, 2024, 2023, and 2022, the Company had accounts receivable balances of $51,524, $96,604 and $64,561 respectively.

*(g) Revenue Recognition*

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

The Company's revenues consist of initial franchise fees, royalties and marketing fees based on a percentage of gross revenues, and product sales.

*Royalties, marketing and technology fees*

Upon evaluation of the five-step process, the Company has determined that royalties and marketing fees are to be recognized in the same period as the underlying sales.

*Initial franchise fees*

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

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

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

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

*(h) Income Taxes*

The Company is structured as a C-Corporation under the laws of the state of Utah. The Company has adopted the liability method of accounting for income taxes ASC 740, *Income Taxes*. Under ASC 740, deferred income taxes are recorded to reflect tax consequences on future years for the differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. Deferred tax assets, including tax loss and credit carryforwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Deferred income tax expense represents the change during the period in the deferred tax assets and deferred tax liabilities. The components of the deferred tax assets and liabilities are individually classified as current and non-current based on their characteristics. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company adopted the provisions ASC 740-10-25, *Accounting for Uncertainty in Income Taxes*. This provision prescribes recognition thresholds that must be met before a tax position is recognized in the financial statements and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. Under the provision, an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold. The Company did not make any adjustment to opening retained earnings as a result of the implementation.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements. The Company's evaluation was performed for the tax years ended December 29, 2024 for U.S. Federal Income Tax.

The Company's policy is to recognize interest and penalties related to income tax issues as components of income tax expense. The Company did not recognize or incur any accrual for interest and penalties relating to income taxes as of December 29, 2024.

During the fiscal year ended December 29, 2024 the Company was included in the consolidated return of its parent company, Wingers USA Inc. The taxes have been calculated as if the Company is filing a stand-alone tax return.

*(i) Financial Instruments*

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

*(j) Concentration of Risk*

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

(2) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial franchise fees as well as continuing royalty fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a Winger's restaurant for a period of ten years. Under the Company's revenue recognition policy, franchise fees and any corresponding commissions are recognized when the franchisee begins operations. For any franchisees that have not met the criteria for revenue recognition as of year-end, the Company defers both

the revenues and commissions. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current.

The Company has estimated the following current and non-current portions of deferred contract costs as of December 29, 2024, December 31, 2023, and January 1, 2023:

| | December 29, 2024 | December 31, 2023 | January 1, 2023 |
|---|---|---|---|
| Deferred revenue, current | $ - | $ 35,000 | $ 5,000 |
| Deferred revenue, net of current portion | 120,000 | 110,000 | 42,654 |
| Total | $ 120,000 | $ 145,000 | $ 47,654 |

The Company has estimated the following current and non-current portions of deferred contract costs as of December 29, 2024, December 31, 2023, and January 1, 2023:

| | December 29, 2024 | December 31, 2023 | January 1, 2023 |
|---|---|---|---|
| Deferred contract costs, current | $ - | $ 8,750 | $ 1,250 |
| Deferred contract costs, net of current portion | 30,000 | 11,913 | 10,663 |
| Total | $ 30,000 | $ 21,349 | $ 11,913 |

(3) Marketing Fund

The Company charges a marketing fee to its franchisees. Under the terms of the franchise agreements, the Company is obligated to spend the amounts received solely on marketing and related expenses for the benefit of the franchisees. The Company has the general discretion as to the nature of the marketing obtained, as long as it is related to the business of the franchisees. As of December 29, 2024, December 31, 2023 and January 1, 2023 the balance of marketing fund was $ 3,744, $85,149 and $149,756 respectively.

(4) Income Taxes

As of December 29, 2024, December 31, 2023 and January 1, 2023, the components of the deferred income tax asset are as follows:

| Deferred tax asset: | December 29, 2024 | December 31, 2023 | January 1, 2023 |
|---|---|---|---|
| Deferred franchise fees | $ 29,513 | $ 28,395 | $ 11,955 |
| Gross deferred tax asset | $ 29,513 | $ 28,395 | $ 11,955 |

| Deferred tax liability: | December 29, 2024 | December 31, 2023 | January 1, 2023 |
|---|---|---|---|
| Deferred commissions | $ 7,378 | $ 4,046 | $ 3,080 |
| Franchise fees receivable | - | 11,750 | - |
| Gross deferred tax liability | 7,378 | 15,796 | 3,080 |
| Deferred taxes, net | $ 22,135 | $ 12,599 | 8,875 |

The items accounting for the difference between income taxes computed at the federal statutory rate of 21% and the provision for income taxes as of December 29, 2024, December 31, 2023 and January 1, 2023 are as follows:

| | December 29, 2024 | December 31, 2023 | January 1, 2023 |
|---|---|---|---|
| Tax expense at federal statutory rate | $ 73,795 | $ 107,135 | $ 112,701 |
| State tax expense, net of federal effect | 16,751 | 36,929 | 26,172 |
| Change in deferred tax asset | (9,536) | (3,724) | (7,157) |
| Total income tax provision | $ 81,010 | $ 140,340 | $ 131,716 |

(5) Related Party Transactions

During the years ended December 29, 2024, December 31, 2023 and January 1, 2023 the Company has been and is under common ownership with an affiliated company that performs management services for the company. The following transactions took place with this affiliate during the year:

- During the years ended December 29, 2024, December 31, 2023, and January 1, 2023, the Company paid management fees of $455,000, $464,200, and $455,000, respectively, to the affiliated company. These management fees were determined on a discretionary basis and the existence of the common control could result in operating results or financial position of the entity significantly different from those that would have been obtained if the entities were autonomous.
- During the year ended December 29, 2024, and December 31, 2023 the affiliate company invoiced the Company a total of $534,787 and $512,183 respectively in marketing and management expenses. This amount was charged against the marketing fund withheld from franchised locations.

As of December 29, 2024, the Company owed two officers and related parties notes payable with total amount of $287,656 due with interest at 5.5%. The notes are unsecured.

(6) Commitments and Contingencies

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

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

(7) Subsequent Events

Management has reviewed and evaluated subsequent events through March 24, 2025, the date on which the financial statements were issued.

# WINGER'S FRANCHISING, INC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2023, JANUARY 1, 2023 (RESTATED) AND JANUARY 2, 2022

# WINGER'S FRANCHISING, INC

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

*Independent Auditor's Report*

To the Shareholders
Winger's Franchising, Inc.
Salt Lake City, UT

***Opinion***

We have audited the accompanying financial statements of Winger's Franchising, Inc. comprise the balance sheets as of December 31, 2023 and the related statements of operations, stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Winger's Franchising, Inc. as of December 31, 2023 and the related statements of operations, stockholders' equity, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

The financial statements of the Company as of January 1, 2023 and January 2, 2022, were audited by other auditors whose report dated April 20, 2023 expressed an unmodified opinion on those statements.

***Basis for Opinion***

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

***Emphasis of Matter – Correction of Errors***

As discussed in Note 4, during 2023 management identified certain errors in how dividends, management fees and related party receivables had been recorded in the prior year. As such, amounts previously reported for dividends, income tax expense, management fees and related party receivables have been restated in the 2022 financial statements now presented. We were not engaged to audit the year ended January 1, 2023. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

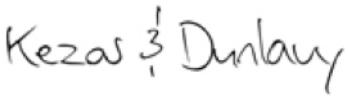
In performing an audit in accordance with generally accepted auditing standards, we:

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

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

***Restrictions on Use***

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.



St. George, Utah
May 7, 2024

# WINGER'S FRANCHISING, INC.

## BALANCE SHEETS

As of December 31, 2023, January 01, 2023 (Restated), and January 02, 2022

| Assets | December 31, 2023 | January 01, 2023 * | January 02, 2022 |
|---|---|---|---|
| Current assets | | | |
| Cash | $ 200,830 | $ 647,842 | $ 520,083 |
| Accounts receivable | 96,604 | 64,561 | 50,202 |
| Deferred commissions current | 8,750 | 1,250 | - |
| Total current assets | 306,184 | 713,653 | 570,285 |
| Due from related party | 247,151 | 460,107 | 1,125,981 |
| Net deferred tax asset | 12,599 | 8,875 | - |
| Deferred commissions, non current | 11,913 | 10,663 | - |
| Total assets | $ 577,847 | $ 1,193,298 | $ 1,696,266 |
| **Liabilities and stockholder's equity** | | | |
| Current liabilities | | | |
| Deferred franchise fees, current | $ 35,000 | $ 5,000 | $ 3,500 |
| Accounts payable and accrued expenses | 5,982 | 48,068 | 56,237 |
| Marketing funds | 85,149 | 149,756 | 113,035 |
| Total current liabilities | 126,131 | 202,824 | 172,772 |
| Long term liabilities | | | |
| Notes payable to related party | 320,479 | 304,740 | 287,916 |
| Deferred franchise fees, non-current | 110,000 | 42,654 | 23,625 |
| Total long-term liabilities | 430,479 | 347,394 | 311,541 |
| Total liabilities | 556,610 | 550,218 | 484,313 |
| Stockholder's equity | | | |
| Common stock, $.01 par value, authorized 100,00 shares, 1,000 shares issued | 10 | 10 | 10 |
| Additional paid-in-capital | 109,975 | 109,975 | 109,975 |
| (Accumulated deficit) retained earnings | (88,748) | 533,095 | 1,101,968 |
| Total stockholders' equity | 21,237 | 643,080 | 1,211,953 |
| Total liabilities and stockholders' equity | $ 577,847 | $ 1,193,298 | $ 1,696,266 |

* Certain amounts shown here do not coorespond to the year ended January 1, 2023 financial statements and reflect adjustments made. Refer to Note. 4.

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

# WINGER'S FRANCHISING, INC.

## STATEMENTS OF OPERATIONS

For the years ended December 31, 2023, January 01, 2023 (Restated), and January 02, 2022

| | December 31, 2023 | January 01, 2023 * | January 02, 2022 |
|---|---|---|---|
| Franchise fees | $ - | $ 29,471 | $ 3,500 |
| Royalty and marketing fees | 2,020,397 | 1,833,332 | 1,725,179 |
| Operating revenue | 2,020,397 | 1,862,803 | 1,728,679 |
| | | | |
| Operating costs | | | |
| General and administrative | 70,442 | 14,233 | 10,097 |
| Management fee | 464,210 | 455,000 | 306,185 |
| Advertising & marketing | 950,148 | 813,871 | 796,755 |
| Total operating expenses | 1,484,800 | 1,283,104 | 1,113,037 |
| | | | |
| Other expenses | | | |
| Interest expense | 14,753 | 16,856 | 14,742 |
| Income before income taxes | 520,844 | 562,843 | 600,900 |
| | | | |
| Provisions for income taxes | 140,340 | 131,716 | 148,815 |
| Net income | $ 380,504 | $ 431,127 | $ 452,085 |

* Certain amounts shown here do not coorespond to the year ended January 1, 2023 financial statements and reflect adjustments made. Refer to Note. 4.

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

# WINGER'S FRANCHISING, INC.

## STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023, January 01, 2023 (Restated), and January 02, 2022

| | December 31, 2023 | January 01, 2023 * | January 02, 2022 |
|---|---|---|---|
| Cash flows from operating activities: | | | |
| Net Income | $ 380,504 | $ 431,127 | $ 452,085 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Amortization of deferred franchise fees | - | (29,471) | (3,500) |
| Amortization of deferred commissions | - | 587 | - |
| Interest accrued on related party notes | 15,739 | 15,466 | 14,742 |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | (32,043) | (14,359) | (16,569) |
| Accounts payable and accrued expenses | (42,086) | (8,169) | 49,226 |
| Deferred revenue | 95,000 | 50,000 | - |
| Deferred contract costs | (8,750) | (12,500) | - |
| Deferred tax asset | - | (8,875) | - |
| Marketing funds | (64,607) | 36,721 | 29,670 |
| Advances to affiliates and owners | 212,954 | 534,158 | (414,769) |
| Net cash used by operating activities | 556,711 | 994,685 | 110,885 |
| Cash flows from financing activities | | | |
| Stockholder dividends | (1,000,000) | (1,000,000) | - |
| Notes payable to related party | - | 1,358 | 3,618 |
| Net cash provided by financing activities | (1,000,000) | (998,642) | 3,618 |
| Net change in cash and cash equivalents | (443,289) | (3,957) | 114,503 |
| Cash and cash equivalents at beginning of period | 647,842 | 520,083 | 405,580 |
| Cash and cash equivalents at end of period | $ 204,553 | $ 516,126 | $ 520,083 |
| Supplemental disclosures of cash flow: | | | |
| Cash paid for interest and taxes | $ - | $ 1,390 | |

* Certain amounts shown here do not coorespond to the year ended January 1, 2023 financial statements and reflect adjustments made. Refer to Note. 4.

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

# WINGER'S FRANCHISING, INC.

STATEMENTS OF STOCKHOLDER'S EQUITY

For the years ended December 31, 2023, January 01, 2023 (Restated), and January 02, 2022

| | Common Stock | | Additional | Retained | |
|---|---|---|---|---|---|
| | Shares | Amount | Paid-In-Capital | Earnings | Total |
| Balance at January 3, 2021 | 1,000 | $ 10 | 109,975 | 649,883 | 759,868 |
| Net income | - | - | - | 452,085 | 452,085 |
| Balance at January 2, 2022 | 1,000 | 10 | 109,975 | 1,101,968 | 1,101,978 |
| Net loss | - | - | - | 431,127 | 431,127 |
| Stockholder dividends | - | - | - | (1,000,000) | (1,000,000) |
| Balance at January 1, 2023 | 1,000 | 10 | 109,975 | 533,095 | 533,105 |
| Net income | - | - | - | 380,504 | 380,504 |
| Stockholder dividends | - | - | - | (1,000,000) | (1,000,000) |
| Adoption of ASC 606 practical expedient | - | - | - | (2,347) | (2,347) |
| Balance at December 31, 2023 | 1,000 | $ 10 | $ 109,975 | $ (88,748) | $ (88,738) |

* Certain amounts shown here do not coorespond to the year ended January 1, 2023 financial statements and reflect adjustments made. Refer to Note. 4.

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

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

*(a) Nature of Business*

Winger's Franchising, Inc. (the "Company") was organized in the State of Utah on March 4, 1997 as a Utah corporation. The Company is a franchisor of "Wingers" restaurants.

The Company uses the accrual basis of accounting, and their accounting period is 52/53-week annual accounting period. Under this method the annual accounting period ends on the Sunday closest to December 31 of each year. Fiscal year for 2023 ended December 31, 2023.

*(b) Accounting Standards Codification*

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

*(c) Use of Estimates*

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

*(d) Cash and Cash Equivalents*

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2023, January 1, 2023 and January 2, 2022, the Company had cash and cash equivalents of $200,830, $647,842 and 520,083 respectively.

*(e) Revenue Recognition*

The Company's primary revenues consist of initial franchise fees, and ongoing royalty and advertising fees from locations operated by franchisees. ASC 606, *Revenue from Contracts with Customers*, provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. The standard does not impact the Company's recognition of royalties and ad fund contributions from locations operated by a franchisee, which are based on a percentage of net revenue and recognized at the time the underlying sales occur. The standard does change the timing for recognition of the Company's initial franchise fees.

In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue.

For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the transaction price, which includes an initial fee and ongoing royalties, advertising fees, and technology fees, and the Company's performance obligations.

In allocating the transaction price and recognizing the revenue associated with initial franchise fees, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers* in 2023. In January 2021, the FASB issued Accounting Standard Update (ASU) 2021-02, regarding revenue recognition for franchisors (a subtopic of revenue from contracts with customers). This standard is effective for periods beginning after December 15, 2020, with early adoption permitted. The standard applies to all non-public franchisors. This amendment introduces - ASC 952-606, *Franchisors—Revenue from Contracts with Customers* – a practical expedient that simplifies the guidance on identifying performance obligations. This practical expedient allows the franchisor to account for pre-opening services as distinct from the franchise license if the services are consistent with predefined services listed in this ASU. Also, ASU 2021-02 allows for an accounting election to be made by the entity to bundle and recognize all the pre-opening services as a single performance obligation. The practical expedient identifies the following non-exclusive list of general pre-opening services (which the Company may or may not provide) as eligible for inclusion in the single distinct performance obligation:

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

Prior to 2023, the Company allocated the franchise between the pre-opening services obligation and the franchise license (recognizing the amount allocated to the license over the life of the underlying agreement). Effective for the year ended December 31, 2023, pursuant to adoption of the practical expedient, the Company has determined that the fair value of pre-opening services exceeds the initial fees received; as such, the initial fees are allocated to the pre-opening services, which are recognized as revenue when those pre-opening services have been completed (generally upon commencement of operations).

*(f) Income Taxes*

The Company is structured as a C-Corporation under the laws of the state of Utah. The Company has adopted the liability method of accounting for income taxes ASC 740, *Income Taxes*. Under ASC 740, deferred income taxes are recorded to reflect tax consequences on future years for the differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. Deferred tax assets, including tax loss and credit carryforwards, and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Deferred income tax expense represents the change during the period in the deferred tax assets and deferred tax liabilities. The components of the deferred tax assets and liabilities are individually classified as current and non-current based on their characteristics. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

The Company adopted the provisions ASC 740-10-25, *Accounting for Uncertainty in Income Taxes*. This provision prescribes recognition thresholds that must be met before a tax position is recognized in the financial statements and provides guidance on derecognition, classification, interest and penalties, accounting in interim periods,

disclosure, and transition. Under the provision, an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold. The Company did not make any adjustment to opening retained earnings as a result of the implementation.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements. The Company's evaluation was performed for the tax years ended December 31, 2023 for U.S. Federal Income Tax.

The Company's policy is to recognize interest and penalties related to income tax issues as components of income tax expense. The Company did not recognize or incur any accrual for interest and penalties relating to income taxes as of December 31, 2023.

During the fiscal year ended December 31, 2023 the Company was included in the consolidated return of its parent company, Sticky Holdings Inc. The taxes have been calculated as if the Company is filing a stand-alone tax return.

*(g) Financial Instruments*

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

*(h) Concentration of Risk*

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

(2) Income Taxes

As of December 31, 2023, January 1, 2023 and January 2, 2022, the components of the deferred income tax asset are as follows:

| Deferred tax asset: | December 31, 2023 | January 1, 2023 | January 2, 2022 |
|---|---|---|---|
| Deferred franchise fees | $ 28,395 | $ 11,955 | $ - |
| Gross deferred tax asset | $ 28,395 | $ 11,955 | $ - |

| Deferred tax liability | December 31, 2023 | January 1, 2023 | January 2, 2022 |
|---|---|---|---|
| Deferred commissions | $ 4,046 | $ 3,080 | $ - |
| Franchise fees receivable | 11,750 | - | - |
| Gross deferred tax liability | 15,796 | 3,080 | - |
| Deferred taxes, net | $ 12,599 | $ 8,875 | - |

The items accounting for the difference between income taxes computed at the federal statutory rate of 21% and the provision for income taxes as of December 31, 2023, January 1, 2023 and January 2, 2022 are as follows:

| | December 31, 2023 | January 1, 2023 | January 2, 2022 |
|---|---|---|---|
| Tax expense at federal statutory rate | $ 107,135 | $ 112,701 | $ 126,189 |
| State tax expense, net of federal effect | 36,929 | 26,172 | 23,499 |
| Change in deferred tax asset | (3,724) | (7,157) | (873) |
| Total income tax provision | $ 140,340 | $ 131,716 | $ 148,815 |

(3) Related Party Transactions

During the years ended December 31, 2023, January 1, 2023 and January 2, 2022 the Company has been and is under common ownership with an affiliated company that performs management services for the company. The following transactions took place with this affiliate during the year:

- The Company paid management fees of $464,200, $455,000, and $306,185 respectively, to the affiliated company. These management fees were determined on a discretionary basis and the existence of the common control could result in operating results or financial position of the entity significantly different from those that would have been obtained if the entities were autonomous.
- During the year ended December 31, 2023, the affiliate company invoiced the Company a total of $512,183 in marketing and management expenses. This amount was charged against the marketing fund withheld from franchised locations.

As of December 31, 2023, the company owes two officers and related parties two notes payable with total amount of $320,479 due with interest at 5.5%. The notes are unsecured.

(4) Correction of Errors

During the year ended December 31, 2023, management determined that certain cash payments to the parent company in 2022 had been recorded as related party receivables that should have been recorded as dividends to the parent company. In addition, 2022 income tax, which is generally paid for at the parent level, was recorded as an offset to management fees instead of a reduction to related party receivables. As such, amounts previously reported for dividends, management fees, income tax expense and related party receivables have been restated in the 2022 financial statements now presented, as follows:

| | As previously reported in 2022 | As restated in 2022 | Adjustments |
|---|---|---|---|
| Due from related party | $ 1,591,823 | $ 460,107 | $ (1,131,716) |
| Dividends | - | 1,000,000 | 1,000,000 |
| Income tax expense | 186,645 | 131,716 | (54,929) |
| Management fees | 259,480 | 455,000 | 195,520 |
| Stockholder's equity | $ 1,774,796 | 643,080 | $ (1,131,716) |

(5) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss

contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

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

(6) Subsequent Events

Management has reviewed and evaluated subsequent events through May 7, 2024, the date on which the financial statements were issued.

**EXHIBIT "C"**
**TO THE FDD**

**SCHEDULE OF FRANCHISEES:**
**As of December 31, 2024**

**CURRENT FRANCHISEES:**

| | Location | Franchisee | Address | Email |
|---|---|---|---|---|
| | | | **Idaho** | |
| 1 | Meridian[1] | Bradley J. McDougal | 3541 N. Eagle Road, Meridian, Idaho 83646 | wingersmeridian@gmail.com |
| 2 | Mountain Home[1] | Bradley J. McDougal | 3150 North Foothill Drive, Mountain Home, Idaho 83647 | mhwingers@yahoo.com |
| 3 | Nampa[1] | Bradley J. McDougal | 16250 North Marketplace Blvd., Nampa, Idaho 83687 | nampawingers@yahoo.com |
| | | | **Nevada** | |
| 4 | Winnemucca | Dusty Ship | 440 Rim Rock Road #A, Winnemucca, Nevada 89445 | winnemuccawingers@gmail.com |
| | | | **Oklahoma** | |
| 5 | Oklahoma City | Samuel Larkpor | 13124 Cedar Springs Rd., Oklahoma City, Oklahoma 73120 | 405-436-3865 |
| | | | **Oregon** | |
| 6 | Ontario[1] | Boyd Yee | 1255 SE 1st Avenue, Ontario, Oregon 97914 | wingersontario@gmail.com |
| | | | **Utah** | |
| 7 | Brigham City[1,2] | Brad & Heidi Smoot | 855 West 1100 South #A, Brigham City, Utah 84330 | wingersbc@yahoo.com |
| 8 | Clearfield | Tyler Stowe | 743 North Main Street, Clearfield, Utah 84015 | clearfieldwingers@qwestoffice.net |
| 9 | Price | Kasey Petersen | 205 North Hospital Drive, Price, Utah 84501 | wingersprice@yahoo.com |
| 10 | Provo | Gabriel Heyn | 1200 Towne Centre Blvd., Provo, Utah 84601 | wingersofprovo@aim.com |
| 11 | Richfield | Jan Peterson | 1080 West 1350 South, Richfield, Utah 84701 | Jjpeter2003@yahoo.com |
| 12 | Riverton | Corina Putvin | 3816 West 13400 South, Riverton, Utah 84065 | wingersriverton@yahoo.com |
| 13 | West Jordan | Deli Girl, LLC | 9175 Redwood Rd., West Jordan, Utah 84088 | 801-201-9182 |
| 14 | Vernal[1] | Eric Gunter | 2075 W Hwy 40 #A, Vernal, Utah 84078 | wingersvernal@gmail.com |

[1] These are Wingers Restaurant & Alehouse franchise locations.
[2] The Brigham City location is a test of a smaller Alehouse restaurant

**AFFILIATE-OWNED UNITS:**

| | Location | Contact | Address | Email |
|---|---|---|---|---|
| | | | **Idaho** | |
| 1 | Pocatello | Keenan Fenwick | 296 Yellowstone Avenue, Pocatello, Idaho 83201 | pocatellowingers@wingerbros.com |
| | | | **Nevada** | |
| 2 | Elko[1] | Eric and Scott Slaymaker | 1165 East Jennings Way, Elko, Nevada 89801 | elkowingers@wingerbros.com |
| | | | **Utah** | |

| | | | | |
|---|---|---|---|---|
| 3 | Bountiful[1,2] | Juan Magana | 255 N 500 W, Bountiful, Utah 84010 | bountifulwingers@wingersbros.com |
| 4 | Orem | Michael Seaders | 610 South State Street, Orem, Utah 84058 | oremwingers@wingerbros.com |
| 5 | Murray[1] | Shawn Carlson | 4790 South State Street, Salt Lake City, Utah 84107 | murraywingers@wingerbros.com |
| 6 | St. George | Jennifer Poles | 188 South River Road, St. George, Utah 84790 | stgeorgewingers@wingerbros.com |
| 7 | West Valley[1] | Chance Pellum | 3671 South 2700 West, Suite 100, West Valley, Utah 84119 | westvalleywingers@wingerbros.com |

[1] These are Wingers Restaurant & Alehouse Affiliate-Owned Locations
[2] In early 2025, the Bountiful location sold to a franchisee

**FRANCHISEES THAT TRANSFERRED THEIR FRANCHISE IN 2024:**

| Location | Owner | Last Known Phone or Email |
|---|---|---|
| Winnemucca, NV | David Leahy | winnwings@yahoo.com |

**FRANCHISEES THAT CEASED OPERATIONS IN 2024 OR HAVE NOT CONTACTED US WITHIN 10 WEEKS:**

| Location | Owner | Last Known Phone or Email |
|---|---|---|
| Kaysville, Utah | Javier Acosta | Kaysville1wingers@gmail.com |

**FRANCHISEES THAT SIGNED A FRANCHISE AGREEMENT BUT WERE NOT OPEN AS OF DECEMBER 31, 2024:**

| Location | Owner |
|---|---|
| Midlothian, TX | Smith Family Group |
| College Station, TX | Jaem Dwyer Industries, Inc. |
| Frisco, TX<br>Burley, ID<br>Amarillo, TX | Vikram Bir<br>Burley Wings, LLC<br>Srcampbell1993 |

[1] Each of these signed a franchise agreement prior to 2022 and have been granted extensions to open.

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

**EXHIBIT "D"**
**TO THE FDD**
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**EXHIBIT "E"**
**TO THE FDD**

**LIST OF AGENTS FOR SERVICE OF PROCESS**

| STATE | CONTACT | DEPARTMENT | ADDRESS | PHONE NUMBER |
|---|---|---|---|---|
| California: | Commissioner of Financial Protection and Innovation | Department of Financial Protection and Innovation | 2101 Arena Blvd., Sacramento, CA 95834 | (916) 445-7205<br>(866) 275-2677<br>www.dfpi.ca.gov<br>ask.DFPI@dfpi.ca.gov |
| Georgia: | Secretary of State of Georgia | Corporations Division | 2 Martin Luther King Jr. Dr., SE, Suite 315, West Tower, Atlanta, GA 30334 | |
| Hawaii: | Commissioner of Securities | Department of Commerce and Consumer Affairs Business Registration Division, Securities Compliance Branch | 335 Merchant Street, Room 203, Honolulu, HI 96813 | (808) 586-2722 |
| Illinois: | Chief, Franchise Division | Office of Attorney General | 500 South Second Street, Springfield, IL 62706 | (217) 782-4465 |
| Indiana: | Indiana Secretary of State | | 210 State House, Indianapolis, IN 46204 | |
| Maryland: | Maryland Securities Commissioner | Division of Securities; Office of Attorney General | 200 St. Paul Place, 20th Floor, Baltimore, MD 21202-2020 | (410) 576-6360 |
| Michigan: | Antitrust and Franchise Business | Michigan Department of the Attorney General's Office; Franchise Administrator; Consumer Protection Division | 6546 Mercantile Way, Lansing, MI 48910 | (517) 373-7117 |
| Minnesota: | Commissioner of Commerce | Minnesota Department of Commerce | 85 7th Place East, Suite 280, St. Paul, MN 55101 | (651) 539-1600 |
| New York: | New York Department of State | | 99 Washington Ave, 6th Floor, Albany, NY 12231 | (518) 473-2492 |
| North Dakota: | Securities Commissioner | | 600 East Boulevard Ave., State Capitol Fourteenth Floor, Dept. 414, Bismarck, ND 58505-0510 | (701) 328-4712 |
| Oregon: | Director of Insurance & Finance | Business Service Division of Finance and Corporate Securities Labor and Industries Building | Salem, OR 97310 | (503) 378-4387 |
| Rhode Island: | Chief Securities Examiner of | Department of Business Regulation Securities Division | 1511 Pontiac Avenue, John O. Pastore | (401) 462-9527 |

| | | | | |
|---|---|---|---|---|
| | Business Regulation | | Complex – Building 69-1, Cranston, RI 02920 | |
| South Dakota: | Division of Insurance | Securities Regulation | 124 South Euclid Avenue, 2nd Floor, Pierre, SD 57501-3185 | (605) 773-3563 |
| Virginia: | Clerk of the State Corporation Commission | | 1300 East Main Street, 1st Floor, Richmond, VA 23219 | |
| Washington: | Department of Financial Institutions | Securities Division | 150 Israel Rd. SW Tumwater, WA 98501 | (360) 902-8760 |
| Wisconsin: | Wisconsin Commissioner of Securities | Franchise Investment Division | 101 East Wilson Street, Fourth Floor, Madison, WI 53702 | |

If a state is not listed, Winger's Franchising, Inc. has not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which Winger's Franchising, Inc. has appointed an agent for service of process.

**EXHIBIT "F"**
**TO THE FDD**

**LIST OF STATE AGENCIES RESPONSIBLE FOR FRANCHISE DISCLOSURE/REGISTRATION LAWS**

| STATE | CONTACT | DEPARTMENT | ADDRESS | PHONE NUMBER |
|---|---|---|---|---|
| California: | Commissioner of Financial Protection and Innovation<br>www.dfpi.ca.gov<br>ask.DFPI@dfpi.ca.gov | Department of Financial Protection and Innovation | Sacramento:<br>2101 Arena Blvd., Sacramento, CA 95834<br>San Diego:<br>1455 Frazee Suite 315 San Diego, CA 92108<br>San Francisco:<br>One Sansome Street, Ste. 600, San Francisco, CA 94101<br>Los Angeles:<br>320 West 4th Street, Ste. 750, Los Angeles, CA 90013-2344 | Sacramento:<br>(916) 445-7205<br><br>San Diego:<br>(619) 525-4233<br><br>San Francisco:<br>(415) 972-8559<br><br>Los Angeles:<br>(213) 576-7500<br><br>Toll Free:<br>(866) 275-2677 |
| Connecticut: | Securities and Business Investment Division | Connecticut Department of Banking | 260 Constitution Plaza, Hartford, CT 06103-1800 | (860) 240-8233 |
| Florida: | Division of Consumer Services | Department of Agriculture and Consumer Services | P.O. Box 6700, Tallahassee, FL 23214-6700 | (805) 488-2221<br>Fax: (805) 410-3804 |
| Georgia: | Secretary of State of Georgia | Corporations Division | 2 Martin Luther King Jr. Dr., SE, Ste. 315, West Tower, Atlanta, GA 30334 | |
| Hawaii: | Business Registration Division, Commissioner of Securities | Department of Commerce and Consumer Affairs | P.O. Box 40, Honolulu, HI 96810 | (808) 586-2744 |
| Illinois: | Franchise Bureau | Office of Attorney General | 500 South Second Street, Springfield, IL 62706 | (217) 782-4436 |
| Indiana: | Franchise Section | Indiana Securities Division, Secretary of State | 302 West Washington Street, Room E-111, Indianapolis, IN 46204 | (317) 232-6681 |
| Iowa: | Iowa Securities Bureau | | 340 Maple, Des Moines, Iowa 50319-0066 | (515) 287-4441 |
| Maryland: | Office of the Attorney General | Division of Securities | 200 St. Paul Place, 20th Floor, Baltimore Maryland 21202-2020 | (410) 576-6360 |
| Michigan: | Michigan Attorney General's Office | Consumer Protection Division; Attn: Franchise Section | 525 West Ottawa Street, Williams Building, 6th Floor, Lansing, MI 48933 | (517) 373-7117 |
| Minnesota: | Minnesota Department of Commerce | Securities – Franchise Registration | 85 7th Place East, Suite 280, St. Paul, Minnesota 55101-2198 | (651) 539-1600 |

| | | | | |
|---|---|---|---|---|
| Nebraska: | Bureau of Securities/Financial Institutions Division | Department of Banking and Finance | 1526 K Street, Suite 300, Lincoln, NE 68508-2732 | (402) 471-3445 |
| New York: | NYS Department of Law | Investor Protection Bureau | 28 Liberty St. 21st Floor, New York, NY 10005 | (212) 416-8222 Fax: (212) 416-6042 |
| North Dakota: | Franchise Examiner | North Dakota Securities Department | 600 East Boulevard Avenue, State Capitol Fourteenth Floor, Dpt. 414, Bismarck, ND 58505-0510 | (701) 328-4712 |
| Oregon: | Division of Finance and Corporate Securities | Department of Consumer and Business Services | Labor and Industries Building | (503) 378-4140 Fax: (503) 947-7862 |
| Rhode Island: | Securities Division | Department of Business Regulation | 1511 Pontiac Avenue, John O. Pastore Complex 69-1, Cranston, RI 02920-4407 | (401) 462-9527 |
| South Dakota: | Division of Insurance | Securities Regulation | 124 S. Euclid 2nd Floor, Pierre, SD 57501-3185 | (605) 773-3563 Fax: (605) 773-5953 |
| Texas: | Secretary of State | Registration Division | P.O. Box 13193, Austin, TX 78711-3193 1719 Brazos, Austin, TX 78707 | (512) 475-1769 |
| Utah: | Division of Consumer Protection | Utah Department of Commerce | 160 East 300 South, SM Box 146704, Salt Lake City, UT 84114-6704 | (801) 530-6601 Fax: (801) 530-6001 |
| Virginia: | State Corporation Commission | Division of Securities and Retail Franchising | 1300 East Main Street, 9th Floor, Richmond, VA 23219 | (804) 371-9051 |
| Washington: | Securities Division | Department of Financial Institutions | 150 Israel Rd. SW, Tumwater, WA 98501 | (360) 902-8760 |
| Wisconsin: | Division of Securities | Department of Financial Institutions | P.O. Box 1768, Madison, WI 53701 | (608) 266-2801 |
| Federal Trade Commission: | Division of Marketing Practices | Bureau of Consumer Protection | Pennsylvania Avenue at 6th Street, NW, Washington DC 20580 | (202) 326-3128 |

**EXHIBIT "G"**
**TO THE FDD**

**DEPOSIT AGREEMENT**

**PROSPECTIVE FRANCHISE DEPOSIT AGREEMENT**

This DEPOSIT AGREEMENT ("Agreement") is made and entered into as of _____, by and between **WINGER'S FRANCHISING, INC.** ("Franchisor," "We," "Us" or "Our") and _____ ("You," "Your" or "Prospective Franchisee"). individually referred herein as a "Party" and collectively as "Parties."

RECITALS:

A. You have applied for and desire to acquire an option to purchase a Winger's Restaurant & Alehouse™ franchise; and

B. You declare that You have fully reviewed the Winger's Restaurant & Alehouse™ Franchise Disclosure Document and have had such FDD for at least 14 days and familiarized Yourself with the essential aspects of owning a Winger's Restaurant & Alehouse™ franchise and desire to enter into this Agreement as a result of such independent investigation and not as a result of any separate representations by Us, or Our agents officers or employees, and You further expressly acknowledge that no separate representations, promises or warranties of any kind, express or implied, have been made by Us, Our agents, officers or employees, to induce You to execute this Agreement.

NOW THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties hereby agree as follows:

1. **Grant of Option**. We hereby grant to You an option ("Option") to acquire a Winger's Restaurant & Alehouse™ franchise under the terms and conditions of the franchise agreement and in accordance with this Agreement within the area set forth on Exhibit "A" attached hereto and by reference made a part hereof ("Area"). The actual location and final boundaries of Your Winger's Restaurant & Alehouse™ franchise must be approved by Us as set forth in the franchise agreement. The Option granted herein will expire at 5:00 P.M., Mountain Time, 30 days from the date hereof unless extended by mutual written consent of the Parties ("Option Period").

2. **Deposit**. Upon execution of this Agreement, You shall pay to Us a deposit of $15,000. If You exercise Your Option, this sum will be credited against the initial franchise fee set forth in the franchise agreement. In the event You do not sign a Franchise Agreement with Us We will return $13,000 to You. In consideration of the deposit fee, We will not sell another Winger's Restaurant & Alehouse™ franchise in the Area during the Option Period, and the value of the deposit is to compensate us for an opportunity lost in the event you do not purchase a franchise in the Area.

3. **Exercise**. This Option is exercisable by You as follows: 1) Your written notice to Us of Your exercise of the Option; 2) Your execution of the franchise agreement; and 3) payment by You of the full initial franchise fee, all within the Option Period. **Time is of the essence for this Agreement**.

4. **Arbitration of Disputes**. In the event any controversy or dispute arises between the Parties hereto in connection with, arising from or with respect to this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted exclusively in Salt Lake City, Utah, and the laws of the state of Utah will govern without giving effect to its conflicts of law provisions. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator. The Parties agree that any claim hereunder will result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association. The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any court of competent jurisdiction.

5. **Notices**. All notices permitted or required under this Agreement must be in writing and must be delivered as follows with notice deemed given as indicated (i) by personal delivery when delivered personally, (ii) by overnight courier upon written verification of receipt, (iii) by telecopy, email or facsimile transmission when confirmed by telecopier, email or facsimile transmission, or (iv) by certified or registered mail, return receipt requested, five days after deposit in the mail addressed as follows:

| Franchisor: | Prospective Franchisee: |
|---|---|
| Winger's Franchising, Inc.<br>3950 South 700 East, #302<br>Salt Lake City, Utah 84107<br>Email: support@wingerbros.com | Name: _____<br>Address: _____<br>_____<br>Email: _____ |

6. **Binding Effect; Authority**. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

7. **Costs & Expenses**. Each Party will pay its own costs and expenses in connection with this Agreement.

8. **Entire Agreement; Amendment**. This Agreement and exhibits contain the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements between the Parties are hereby terminated with no continuing duties or obligations on the part of the other Party. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

9. **Interpretation of Agreement**. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers. The paragraph headings and title of this Agreement are not part of this Agreement, having been inserted for convenience of reference only, and will have no effect upon the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, the Franchisor and Prospective Franchisee have respectively signed this Agreement as of the day and year first above written.

| **FRANCHISOR:** | **PROSPECTIVE FRANCHISEE:** |
|---|---|
| WINGER'S FRANCHISING, INC. | _____ |
| By: _____<br>(Signature) | By: _____<br>(Signature) |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |

**EXHIBIT "A"**

**Prospective Franchise Deposit Agreement**

**OPTION BOUNDARIES**

Subject to Our approval of the site as set forth in the franchise agreement, the Area for which You have reserved the right to purchase a Winger's Restaurant & Alehouse™ franchise during the Option Period is:

_____
_____
_____.

_____
Prospective Franchisee Initial & Date

_____
Franchisor Initial & Date

**EXHIBIT "H"**
**TO THE FDD**

**AREA DEVELOPMENT AGREEMENT**

**WINGERS RESTAURANT & ALEHOUSE™**
**AREA DEVELOPMENT AGREEMENT**

**THIS AREA DEVELOPMENT AGREEMENT** ("Agreement") is made and entered into effective as of _____ by and between **WINGER'S FRANCHISING, INC.**, a Utah corporation ("We," "Us," or "Franchisor"), and _____ ("You" or "Area Developer").

**R E C I T A L S:**

WHEREAS, You desire to acquire the right to develop and operate multiple Wingers Restaurant & Alehouse™ Franchise Units in the Development Area described below and pursuant to the terms and conditions of this Agreement; and

WHEREAS, You have entered into a separate Franchise Agreement with Us for the right to operate Your first Wingers Restaurant & Alehouse™ franchise signed contemporaneously with this Agreement.

NOW THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby agree as follows:

## Article 1 - Definitions

1.1 The following terms have the following described meanings. Additionally, unless otherwise clearly required by the context, when used in this Agreement, all capitalized terms used but not defined herein have the respective meaning assigned to them pursuant to the Franchise Agreement signed contemporarily with this Agreement.

"Development Area" means the geographical area set forth in Exhibit "A."

"Develop" or "Developed" whether capitalized or not means to open and operate Wingers Restaurant & Alehouse™ Units. You must have a fully executed Franchise Agreement and a fully executed lease agreement that has been approved by Us for a Unit to be considered in "development" if not yet opened or to be considered "developed" if the Unit is operational. Otherwise, the Unit will be considered an Undeveloped Unit as defined below.

"Development Business" means the business developing a Wingers Restaurant & Alehouse™ Franchise Businesses in the Development Area and in compliance with the Development Schedule.

"Development Schedule" means the schedule setting forth the number of Franchise Units to be developed within a set period of time within the Development Area.

"Franchise," "Franchise Business," "Franchise Unit," or "Unit" means a business that has signed a Franchise Agreement to operate a Wingers Restaurant & Alehouse™ business in the Development Area.

"Franchise Agreement" means Our franchise agreement which licenses the right to use Our Marks and System for the operation of a Wingers Restaurant & Alehouse™ Franchise Unit at a single designated location.

"Owners" means You and each of Your owners, partners, members, managers, officers, directors or shareholders.

"Termination" Includes expiration, non-renewal, repurchase of Your rights, transfer, or any other means by which this Agreement is no longer in effect, or wherein You are no longer an area developer for the Wingers Restaurant & Alehouse™ brand.

"Undeveloped Unit" is any Unit for which You do not have a fully executed Franchise Agreement together with a fully executed lease agreement that has been approved by Us.

**Article 2 – Development Area Rights**

2.1 Rights. Subject to the terms and conditions of this Agreement and the continuing faithful performance by You of Your obligations hereunder, during the term of this Agreement, You have the right and obligation to develop Wingers Restaurant & Alehouse™ Franchise Businesses in the Development Area in accordance with the Development Schedule set forth on Exhibit "B." You will be guaranteed the ability to open the required number of Franchise Units within the Development Area, but other franchisees may also develop within the Development Area.

2.2 Character of Rights. The rights and privileges granted to You under this Agreement are personal in nature. You represent and We rely upon Your representations in entering into this Agreement that the individuals listed on Exhibit "C" are the owners of and sole holders of a legal and beneficial interest in Your Development Business. The rights set forth herein are territorial only and do not grant or imply any license for You to use the Marks or System in any manner. Any such rights are granted only through Our Franchise Agreement. This Agreement does not create or grant rights or obligations outside the Development Area.

2.3 Franchisor's Reservation of Rights. All rights not specifically granted to You in this Agreement are reserved to Us. Nothing contained herein prevents Us from granting the right to establish or operate, or Us establishing, owning and operating Franchise Businesses or similar operations outside of the Development Area. We, or our affiliate, either personally or through agents and representatives, or franchises, also reserve the right to sell and market Wingers Restaurant & Alehouse™ outlets in non-traditional locations and large institution-type locations both within and without Your Development Area. These franchises may include locations at convention centers, military bases, universities, sporting arenas, airports, transportation facilities, (including rail or bus terminals, toll road plazas and highway rest stops), urban office buildings, supermarkets, carnivals or street fairs, government facilities, shopping malls, educational facilities, casinos, resort properties, amusement parks or amusement centers, and other similar locations. Any non-traditional outlet We or an affiliate open or Franchise We sell will not be counted toward Your development obligations set forth in the Development Schedule. Furthermore, We and Our affiliates expressly reserve the right to sell market and distribute the Wingers Restaurant & Alehouse™ products in the Development Area and elsewhere without compensation to You using other Marketing strategies and distribution channels, Including, the Internet, via apps, television, radio, Social Media sites, catalogs and other direct sales methods, to or through grocery and convenience stores and wholesale outlets, co-branding with other outlets, etc., without paying you any compensation. We also reserve the right to use other and different proprietary marks in connection with the sale of franchises, products or services similar to, the same as, or dissimilar from those which You will use in Your Franchise Businesses at any location, Including in the Development Area, without compensation to You.

**Article 3 - Development & Term**

3.1 Minimum Development Schedule. You shall open the number of Franchise Units by the deadlines set forth in the Development Schedule. A Franchise Unit will be counted for the purposes of meeting Your development obligation only if it is an open and operating Franchise Business located within the Development Area by the applicable deadline and remains operating during the term hereof.

3.2 Franchise Locations. The location of each Franchise Unit will be selected by You but must be approved in writing by Us, as further set forth in the Franchise Agreement(s).

3.3 Time of the Essence. Time is of the essence with respect to compliance with the Development Schedule and any all other obligations of Yours under this Agreement.

3.4 Term. The term of this Agreement is the development period set forth on the Development Schedule. This Agreement will Terminate prior if terminated according to Article 9 of this Agreement, or once You have Developed all the Franchise Units listed on the Development Schedule if developed prior to the last deadline set forth on the Development Schedule. There is no right to renew this Agreement.

**Article 4 - Fees**

4.1 Three or Five Unit Development Fee: The Development Fee is listed on and payable in full upon execution hereof as set forth on Exhibit "B" ("Development Fee"). The Development Fee will be allocated pro rata to cover the initial franchise fee for each Franchise Unit as developed.

4.2 Non-Refundable. No Fee or deposit is refundable, regardless of whether You meet Your Development Schedule.

**Article 5 - Franchise Agreement(s)**

5.1 Franchise Agreement. Each Franchise Unit opened by You in the Development Area pursuant to this Agreement will be governed by Our then-current Franchise Agreement executed by You and Us. A Franchise Agreement for each Franchise Unit must be executed and delivered to Us at the beginning of development and prior to acquisition or lease of any related real property commencing construction or improvements, or any other development activity or operations for the applicable Franchise Unit. Your obligations to locate, lease, and construct a Unit will be governed by the timelines stated in the applicable Unit Franchise Agreement, except that the requirement for opening and commencing operation of the Unit for the purposes of this Agreement will be based on the Development Schedule deadlines, and not the opening deadline listed in that Franchise Agreement.

5.2 Modification of the Franchise Agreement. We reserve the right, from time to time, to amend, change or modify Our form Franchise Agreement, which modifications will apply to those Franchise Agreements signed after such modifications are made.

5.3 Guaranty. You agree that all of the Owners owning 20% or greater interest in Your Development Business must each personally sign an agreement not to compete and must personally guarantee the performance of all Your obligations under this Agreement and shall be personally bound by, and liable for, the breach of every provision of this Agreement (and sign the Guaranty and Assumption of Obligations attached as Exhibit "D").

5.4 First Franchise Unit. You acknowledge that the Franchise Agreement governing Your first Franchise Unit to be opened under the Development Schedule is being executed concurrently with this Agreement.

**Article 6 - Operating Standards and Covenants**

6.1 Compliance. You shall, at Your expense, comply with all applicable laws, ordinances, rules and regulations pertaining to the development of Your Franchise Businesses as contemplated herein.

6.2 Cost of Doing Business. You shall be responsible for all Your costs of doing business and other costs and expenses in connection with Your obligations herein.

6.3 Franchise Obligations. You shall promptly pay all of Your obligations and liabilities to Us and Your suppliers, lessors, trade accounts and government agencies. We have no liability for Your obligations, and You shall indemnify and hold Us harmless from any such obligations.

6.4 Periodic Reports. You shall provide to Us, no later than the 10th day of each month, a written progress report of Your preceding month's activities and progress in developing and establishing Franchise Units in the Development Area.

6.5 Indemnification. You shall protect, indemnify and hold Us harmless from and against any and all claims, proceedings, expenses, costs, damages and liabilities, Including, legal fees incurred by Us or Our officers, directors, members, managers and agents because of any act, neglect or omission of Yours or Your Personnel, customers, agents or guests, in the operation of Your Development Business, Including,

malfeasance, misstatements, nonfeasance, failure to perform, and breach of Your duties and obligations under this Agreement.

**Article 7 - Confidentiality**

7.1 Confidentiality. Unless otherwise signed as part of Your Franchise Agreement, each of Your principals, officers, and employees. And each of Your principals are required to sign Our standard principal brand protection agreement attached as Exhibit "E."

7.2 Confidentiality of this Agreement. You agree that all terms of this Agreement that are not otherwise made public under franchise disclosure laws will remain confidential, and You shall not make any public announcement, issue any press release, publicize make any public announcement, issue any press release or publicity, make any confirmation of statements made by third parties concerning the terms of this Agreement, or make any other disclosures without Our prior written consent. It is agreed and understood that You may disclose the terms of this Agreement only to Your professional lenders and advisors.

**Article 8 - Marks**

8.1 Ownership of Marks. You acknowledge that You have no interest whatsoever in the Marks or derivatives thereof and that Your right to use the Marks is derived solely from Your Franchise Agreement(s).

8.2 Use of Marks. You cannot use any of the Marks as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs or symbols, or in any modified form without Our consent. You shall obtain such fictitious or assumed name registrations as may be required by Us or applicable law.

**Article 9 - Our Right of Termination**

9.1 Termination. In addition to the other rights of termination that We may have at law or equity or as contained in this Agreement; We will have the following rights of termination:

9.1.1 No Cure Period. Upon a violation or default under paragraphs (1) through (6) below, this Agreement will automatically Terminate upon written notice to You.

1) You or any of Your Owners makes or attempts to make an unauthorized assignment of this Agreement, Your Franchise Agreements, Franchise Units, or any ownership change in You without Our prior written consent, which consent will not be unreasonably withheld or delayed;

2) You or any of Your Owners take action, commit, are convicted of, plead guilty to, or plead no contest to a charge of violating any felony law or other crime, action or offense that We reasonably believe is likely to have a material adverse effect on Your Franchise Units, Us, or the System;

3) You repeatedly breach (three or more times) the same provision of this Agreement within a 12-month period;

4) You become insolvent or a party to any bankruptcy, receivership or similar proceeding, other than as a creditor, file for bankruptcy or receivership or similar protection or You are adjudicated bankrupt;

5) You make an assignment for the benefit of creditors or enter into any similar arrangement for the disposition of Your assets for the benefit of creditors; or

6) You voluntarily or otherwise abandon the development of Franchise Units in the Development Area hereunder exhibited by not responding to our calls, emails, letters, or other attempts to reach You for a period of 30 or more days, or Your actions to Us, to other franchisees or area developers, or to the public indicate that You do not plan to continue development operations.

9.1.2 5-Day Cure Period. You fail to make a payment to Us or an affiliate of Ours and fail to cure within five days of receiving written notice of default.

9.1.3 30-Day Cure Period. Except as otherwise provided herein, You fail to comply with any other provision of this Agreement and fail to cure within 30 days of receiving written notice of default from Us.

9.1.4 45–Day Cure Period. You fail to meet Your development obligations set forth in the Development Schedule and fail to cure within 45 days of receiving written notice of default from Us. As determined in Our sole discretion, in lieu of Termination when You fail to cure this default, We may grant a one-time extension to continue with Your Development obligations. However, in such case, You will lose all exclusivity to the Area.

9.2 Cross Default. If any Franchise Agreement for one of Your Franchise Businesses is terminated for any reason, We will have the right to terminate this Agreement upon written notice to You.

**Article 10 - Obligations Upon Termination or Expiration**

10.1 Our Rights Upon Termination. Upon Termination of this Agreement, for any reason, Your rights under this Agreement are terminated, and We will be free to own, operate or franchise Wingers Restaurant & Alehouse™ businesses anywhere in the Development Area other than as prohibited by any existing signed Franchise Agreement. The foregoing is in addition to any other right or remedy We may have at law or in equity.

10.2 Already Developed or Developing Operating Units. After Termination of this Agreement, You may continue to own and operate Your individual Franchise Units in the Development Area that are Developed, owned, and operated by You prior to Termination, so long as You are not in default and continue to faithfully perform the terms and conditions of such Franchise Agreement(s). However, You will cease to have any exclusivity rights with regard to the ongoing development of Franchises in the Development Area, and You will forfeit all area development fees, initial fees, Unit deposits or installments, or any other deposits to compensate Us for an opportunity lost in the event You do not open the number of franchises in accordance with the Development Schedule, and You will forfeit any contractual right You may have to develop or purchase additional Franchise Units within the Development Area.

10.3 Undeveloped Units. Upon Termination of this Agreement, You will no longer have the right to develop any Undeveloped Units. You will also forfeit all deposits, Fees, payments, and installments You have paid toward the Development Fee for Undeveloped Units.

**Article 11 – Integration of the Various Articles of the Franchise Agreement**

Article XV through Article XXI of the Franchise Agreement signed contemporarily with this Agreement applies to and is hereby fully incorporated into this Agreement as if fully set forth herein unless otherwise set forth in this Agreement or unless clearly required by the context. Terms such as “Franchise Business” and other terms specific to the Franchise Agreement are adjusted to apply to this Agreement. As relates to Transfers, the transfer fee to transfer this Agreement is $5,000, per undeveloped franchise, plus the franchise fee for each active franchise agreement transferred, as set forth in the applicable franchise agreement. The transfer training fee is currently $200 per person per day which is payable at the time of the approved transfer. You or the transferee must also pay for all of your travel, food and lodging expenses. Additionally, the non-competition restrictions and distances of two years and 50 miles from Your Development Area and 10 miles from the territory of any franchise or Wingers Restaurant & Alehouse™ business operation at the time of Termination or Transfer of this Agreement. However, You will still be able to operate any open and operating Wingers Restaurant & Alehouse™ business in the Development Area for which We have agreed to allowed You to operate under an active Franchise Agreement. Nothing in this, or in any related agreement, however, is intended to be a disclaimer of the representations We made to You in the franchise disclosure document that We furnished to You. If any term of this Agreement is determined as void and unenforceable, the remaining terms and duties under this Agreement will still be considered enforceable and severable as if it was its own

separate agreement from the voided term.

**Article 12 - Notices**

12.1 Notices. All notices permitted or required under this Agreement must be in writing and delivered as follows with notice deemed given as indicated (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission, during normal business hours, Monday through Friday, holidays excepted, when confirmed by telecopier or facsimile transmission; (iv) through the email address below or other authorized email address when confirmed by receipt verifications, which confirmation cannot be withheld or otherwise denied; or (v) by certified or registered mail, return receipt requested, three days after deposit in the mail addressed as follows:

| **To Franchisor:** | **To Area Developer:** |
|---|---|
| Winger's Franchising, Inc.<br>3950 South 700 East #302<br>Salt Lake City, Utah 84107<br>(or Our then-current headquarters)<br>Email: SUPPORT@WINGERBROS.COM<br><br>With a courtesy copy to (which will not act as notice or service to Winger's Franchising, Inc.):<br>The Franchise & Business Law Group<br>Attn: Kara K. Martin<br>222 South Main, Ste 500<br>Salt Lake City, Utah 84101<br>Email: KMARTIN@FBLGLAW.COM | _____<br>_____<br>_____<br>Email: _____ |

IN WITNESS WHEREOF, We and You have respectively signed and sealed this Agreement as of the day and year first above written.

FRANCHISOR:

**WINGER'S FRANCHISING, INC.**

By: _____
(Signature)
Name: _____

Title: _____

AREA DEVELOPER:

_____

By: _____
(Signature)
Name: _____

Title: _____

*[Signature Page to Area Development Agreement]*

**EXHIBIT "A"**
**TO THE AREA DEVELOPMENT AGREEMENT**

**DEVELOPMENT AREA**

The Development Area will consist of the following area (map may be attached):

_____
_____
_____
_____

**Our approval of the Development Area or a location within the Development Area is not a guarantee or a warranty of the potential success of the Development Area or a location.**

_____
Area Developer Initial and Date

_____
Franchisor Initial and Date

**SCHEDULE "A-1"**

**MAP OF THE DEVELOPMENT AREA**

**EXHIBIT "B"**
**TO THE AREA DEVELOPMENT AGREEMENT**

**FRANCHISE UNIT**
**DEVELOPMENT SCHEDULE AND FEES**

**1. Development Schedule**

| **Development Period and Term** (Ending 365 days from the date of signing the ADA) | **Minimum Number of Franchise Units to be Opened** | **Cumulative Total of Franchise Units In the Area Open and Operating at End of Each Period** |
|---|---|---|
| Year __ | _____ | _____ |
| Year __ | _____ | _____ |
| Year __ | _____ | _____ |
| Year __ | _____ | _____ |
| Year __ | _____ | _____ |
| Year __ | _____ | _____ |
| Year __ | _____ | _____ |
| **TOTAL** | _____ | _____ |

**2. Development Fees**

| **Summary** | **Number or Amount** |
|---|---|
| Total Units to be Developed | _____ |
| | |
| | |
| Total Development Fee[1] ($85,000 for 3 Units; $130,000 for 5 Units). | $_____ |

[1] Due in full upon signing this Agreement.

_____
Area Developer Initial and Date

_____
Franchisor Initial and Date

**EXHIBIT "C"**
**TO THE AREA DEVELOPMENT AGREEMENT**

**COMPANY REPRESENTATIONS AND WARRANTIES**

You make the following additional warranties and representations:

You are a (check one):

□ Partnership □ Corporation
□ Sole Proprietorship □ Limited Liability Company

Name of your entity: _____
The state in which your entity was formed: _____
Date of formation: _____
EIN: _____

The name and address of each shareholder, partner, or member holding an ownership interest in the corporation, partnership or limited liability company (please print or type names and add extra lines if necessary):

| Name | Address | Percentage of Ownership* |
|---|---|---|
| | | |
| | | |
| | | |

*Corporation: Percentage owned of outstanding voting stock.
*Partnership: Percentage owned in voting and in capital and profits.
*Limited Liability Company: Percentage owned in membership interest.

The names of the officers of the company (please print or type names and add extra lines if necessary):

| Name | Title |
|---|---|
| | |
| | |
| | |

The address where Your company records are maintained is: _____
_____.

The name and address of the person acting as principal contact who has been approved by Us and who will be directly responsible for supervising Your Development Business operations and who has authority to work with Us and make decisions relating to the operations of the Development Business:

Name: _____
Address: _____
Email: _____

You shall provide Us a copy of Your articles of organization and operating agreement or articles of incorporation and bylaws **within one week of the date below**.

Dated: _____.

**AREA DEVELOPER:**

_____

By: _____
(Signature)

Name: _____

Title: _____

**EXHIBIT "D"**
**TO THE AREA DEVELOPMENT AGREEMENT**

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

This GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is entered into and made effective as of _____ by and between **WINGER'S FRANCHISING, INC.** ("We," "Us" or "Our") and the undersigned Guarantor(s) ("Guarantor(s)") owners of _____ (the "Business Entity").

**1. Scope of Guaranty**. In consideration of and as an inducement to Our signing and delivering the Area Development Agreement dated _____ (the "Development Agreement"), each Guarantor(s) signing this Guaranty personally and unconditionally: (a) guarantee to Us and Our successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Development Agreement; and (b) shall be personally bound by, and personally liable for the breach of, any provision in the Development Agreement, Including confidentiality and the non-competition provisions. Each Guarantor acknowledges and agrees no subsequent amendment, modification, and/or extension of the Franchise Agreement by and between Franchisor and the franchisee thereunder will affect the enforcement or validity of this Guaranty. Each Guarantor agrees that upon the death of a Guarantor, the estate of such Guarantor will be bound by the obligations of this Guaranty.

**2. Waivers**. Each Guarantor waives: (a) acceptance and notice of acceptance by Us of Guarantor(s) obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (d) any right Guarantor(s) may have to require that an action be brought against the Business Entity or any other person as a condition of Guarantor(s) liability; (e) all rights to payments and claims for reimbursement or subrogation which Guarantor(s) may have against the Business Entity arising as a result of Guarantor(s)' execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which Guarantor(s) may be entitled in Guarantor(s)' capacity as guarantors.

**3. Consents and Agreements**. Each Guarantor consents and agrees that: (a) Guarantor(s)' direct and immediate liability under this Guaranty are joint and several; (b) Guarantor(s) must render any payment or performance required under the Development Agreement upon demand if the Business Entity fails or refuses punctually to do so; (c) Guarantor(s)' liability will not be contingent or conditioned upon Our pursuit of any remedies against the Business Entity or any other person; (d) Guarantor(s)' liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which We may from time to time grant to Business Entity or to any other person, Including, the acceptance of any partial payment or performance of the compromise or release of any claims (Including the release of other guarantors) and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Development Agreement and, where required by the Development Agreement, after its termination or expiration.

**4. Enforcement Costs**. If We must enforce this Guaranty in any judicial or arbitration proceeding or any appeals, Guarantor(s) must reimburse Us for Our enforcement costs. Enforcement costs include reasonable fees from accountants, attorneys, attorney's assistants, arbitrators, and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred before, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

**5. Disputes**. Guarantor(s) acknowledge and represent that Guarantor(s) have had an opportunity to review the Development Agreement and agree that the provisions related to disputes and arbitration of the Development Agreement have been reviewed by Guarantor(s) and by reference are incorporated herein and will govern this Guaranty and any disputes between Guarantor(s) and Us. Each Guarantor(s) irrevocably submits to the exclusive jurisdiction and venue of said arbitration and listed courts. Nevertheless, Guarantor(s) agree that We may also enforce this Guaranty and awards in the courts of the state or states in which a

Guarantor(s) is domiciled.

**6. Counterparts**. This Guaranty may be signed in counterparts Including by electronic signatures and other electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

IN WITNESS WHEREOF, the Guarantor(s) have respectively signed and sealed this Guaranty effective as of the day and year first written above.

| **Guarantor(s)** | **Address for Notice** |
|---|---|
| By: _____ | _____ |
| | _____ |
| Name: _____ | Email: _____ |
| By: _____ | _____ |
| | _____ |
| Name: _____ | Email: _____ |
| By: _____ | _____ |
| | _____ |
| Name: _____ | Email: _____ |

**EXHIBIT "E"**
**TO THE AREA DEVELOPMENT AGREEMENT**

**BRAND PROTECTION AGREEMENT FOR PRINCIPALS**

This BRAND PROTECTION AGREEMENT FOR PRINCIPALS (the "Agreement") is entered into and made effective as of the date written on the signature page, by WINGER'S FRANCHISNG, INC. ("Franchisor" or the "Company") and the undersigned (individually and collectively, the "Principals").

WHEREAS, Principals or his or her or their company entered into an agreement with Franchisor so as to be able to obtain the rights to open and operate multiple Wingers Restaurant & Alehouse™ Franchise Businesses using the System developed by Franchisor, Including certain confidential and proprietary information of Franchisor ("Area Development Agreement"); and

WHEREAS, Franchisor has developed Confidential Information, which Confidential Information Includes Recipes for the operation of a Wingers Restaurant & Alehouse™ Franchise Business and may continue to develop new Confidential Information and revise current Confidential Information for use in association with the Wingers Restaurant & Alehouse™ System; and

WHEREAS, Principals recognize the value of the System and the intangible property rights licensed under the Area Development Agreement, and the importance of maintaining the Confidential Information, and recognize that the Franchisor's entering into the Area Development Agreement is conditioned upon each Principal entering into this Agreement; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meanings assigned to them pursuant to the Area Development Agreement and Franchise Agreement.

NOW THEREFORE, in consideration of Franchisor entering into the Area Development Agreement with Principals or his or her or their company, the recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Acknowledgment. Principals individually acknowledge that he or she has obtained or may obtain knowledge of confidential matters related to the System and made available to Principals that are necessary and essential to the operation of Franchise Businesses, without which information the Franchise Businesses could not efficiently, effectively and profitably operate. Principals further acknowledge that such Confidential Information was not known to him or her prior to the association with Franchisor.

2. Non-Disclosure and Non-Use. Except as may be required or allowed under the Area Development Agreement, Principals and any of a Principal's Immediate Family, shall not during the term of the Area Development Agreement or any time thereafter, in perpetuity, directly or indirectly, use, or disclose to any third-party, or authorize any third-party to use, any information relating to the Franchise Businesses or interest of Franchisor, Confidential Information, the System, or other information or materials that he or she knows, or reasonably should know, is regarded as confidential to Franchisor. Principals shall also adopt and implement all reasonable procedures prescribed by Franchisor, from time to time, to prevent unauthorized use and/or disclosure of the Confidential Information, Including restrictions on disclosure to Personnel and other third parties.

2.1 Duty to Notify. Principals agree to notify Franchisor of any reasonably suspected attempts to violate the terms or purposes of this Agreement and further agree to require all Personnel to report to it any reasonably suspected attempts to violate this Agreement. In the event it is discovered that Principals knew or had reason to know of any suspected attempts to violate this Agreement, Principals agree to indemnify Franchisor for all costs and fees associated with enforcement, and to reimburse Franchisor for those losses sustained due to such violation.

2.2 No Reverse Engineering. Principals will not either personally, in concert with others, or through other authorization, reverse engineer, decompile or deconstruct or attempt to reverse engineer,

decompile or deconstruct any Recipe, and will not allow, encourage or permit any partner, owner, director, member, manager, agent, Personnel or other person to do so. For purposes of this Agreement, reverse engineering will include any deviations from the Recipes that make minimal changes to the process, procedure, or ingredients such that the final result is identical or substantially similar to the result that would reasonably be expected to result from the Recipes.

2.3 Limited Use. Principals must limit his/her use of the Confidential Information, Including, their recollection of any part of the Recipes and other parts of the Confidential Information, to the performance of their duties as described in the Area Development Agreement, the Manuals, and any policies and procedures implemented by Franchisor and shall not use the Recipes and Confidential Information for any personal use or gain.

3. Non-Competition; Non-Solicitation. The following covenants will be enforced during and after the term of the Area Development Agreement.

3.1 In-Term Covenant. During the term of the Area Development Agreement and for any extensions thereof, except as permitted under the Area Development Agreement and applicable Franchise Agreements, Principals and each Principal's Immediate Family, shall not directly or indirectly be a Participant, or assist, or serve in any capacity whatsoever or have an interest in a Competing Business in any capacity or location, except with Franchisor's prior written consent. Principals understand and acknowledge that to violate this Section will create irreparable harm.

3.2 Post-Term Covenant. Unless Principal remains a part of a company with an active Franchise Agreement, then upon the Termination of the Area Development Agreement, or a Principal's disassociation from the Development Business and for a continuous, uninterrupted period of two years thereafter, except as permitted by the applicable Franchise Agreements, Principals, and Principals' Immediate Family members, shall not directly or indirectly, be a Participant, or assist, or serve in any capacity whatsoever or have an interest in a Competing Business within the Development Area or within 50 miles of the Development Area or within 10 miles of the territory of any franchise or Wingers Restaurant & Alehouse™ business operation at the time of Termination or Transfer of the Area Development Agreement. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

3.3. Non-Solicitation of Customers. Subject to applicable state law, Principals and Principals' Immediate Family shall not, during the term of the Area Development Agreement and for two years thereafter, directly, or indirectly, contact any former or then-current customer of the Franchise Business or Franchisor or an affiliate of Franchisor (with whom the Principal had contact during the term of the Franchise Agreement), or prospective customer for the purpose of soliciting such customer to a Competing Business. All Customer Data belongs to Franchisor. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

4. Tolling of Covenants. In addition to other remedies available to Franchisor, in the event a Principal violates a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of that Principal's violation.

5. Return of Materials. Unless Principal remains a part of a company with an active Franchise Agreement, upon the Termination of the Area Development Agreement, or a Principal's disassociation from the franchise entity, each Principal agrees to deliver to Franchisor (and will not keep a copy in his or her possession or deliver to anyone else) the Wingers Restaurant & Alehouse™ Manuals and any and all Confidential Information.

6. Non-Disparagement. Principals shall not, during and after the term of this Agreement, make any negative, disparaging, false or misleading statements, published or made orally, in any form or medium about Franchisor, Franchisor's officers, owners, partners, directors, members, managers, representatives,

agents or employees, the brand, the System, Franchisor's products and services, or other area developers or franchisees.

7. Irreparable Harm. Principals hereby acknowledge and agree that any breach by him or her of any portion of Sections 1 through 6 above, inclusive, will cause damage to Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisor may be entitled, Franchisor will be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by any Principal of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisor by such breach. Additionally, Principals agree that the existence of any claims a Principal may have against Franchisor, whether or not arising from this Agreement or the Area Development Agreement, will not constitute a defense to Franchisor's ability to enforce the covenants set forth in this Agreement.

8. Reasonableness and Enforceability. Principals agree that the terms of this Agreement are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that Principals and/or his or her or their company have and will have with Franchisor. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will Include the feminine and neuter and the singular will Include the plural and conversely. Principals understand that a separate action may be brought or prosecuted against a Principal whether or not the action is brought or prosecuted against any other Principal or against the franchisee, or any or all of them, or whether any other Principal or the franchisee is or are joined in the action. Principals acknowledge and agree that the restrictions related to Immediate Family is necessary because a Principal's disclosing the Confidential Information or Intellectual Property to Immediate Family or assisting Immediate Family in a Competing Business could potentially circumvent the purpose of this Agreement and that it would be difficult for Us to prove whether a Principal disclosed Our Confidential Information or Intellectual Property to Immediate Family or assisted Immediate Family in a Competing Business.

9. Governing Law and Jurisdiction. The validity, enforcement, construction, rights and liabilities of the parties and provisions of this Agreement will be governed by and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. If for any reason court action is filed, Principals individually consent to the jurisdiction of the courts of record in the state of Utah, and unless the enforcement of this Agreement is brought in connection with a Dispute under the Area Development Agreement (in which case this matter may be handled through arbitration as set forth in the Area Development Agreement), each Principal agrees that proper jurisdiction and venue for all Dispute resolution will be exclusively in the state and federal courts of Salt Lake County, Utah.

10. Attorney's Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

11. Binding Agreement. This Agreement will bind each parties' respective heirs, personal representatives, successors and assigns. No rights under this Agreement are assignable by any Principal without Franchisor's written approval, and any purported assignment will be null and void and of no force or effect.

12. Survival of Covenants. All covenants made in this Agreement by Principals will survive the Termination of this Agreement or the Area Development Agreement or Principal's disassociation with the Franchise Business or the System in any way.

13. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by the parties.

14. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by

facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

15. Prior Disclosures. The parties intend that the information disclosed by Franchisor prior to the actual execution of this Agreement constitutes Confidential Information and is subject to all the terms and conditions of this Agreement as if such information had been disclosed following the execution of this Agreement.

16. Waiver. Each Principal understands and acknowledges that Franchisor can require the use of cameras at the business premises, and each Principal waives any expectation of privacy in non-private areas of the business premises, e.g., spaces that are not in a bathroom, etc.

**PRINCIPALS INDIVIDUALLY ACKNOWLEDGE THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.**

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date written below.

Dated effective as of _____.

**FRANCHISOR:**
WINGER'S FRANCHISING, INC.

By: _____
(Signature)

Name: _____

Title: _____

**PRINCIPALS:**

By: _____
(Signature)

Name: _____

By: _____
(Signature)
Name: _____

By: _____
(Signature)
Name: _____

**EXHIBIT "F"**
**TO THE AREA DEVELOPMENT AGREEMENT**

**STATE SPECIFIC ADDENDA**

**ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT**
**FOR THE STATE OF NORTH DAKOTA**

This Addendum to the Area Development Agreement is agreed to this ___ day of _____, 20___, between Winger's Franchising, Inc. and _____ to amend and revise said Area Development Agreement as follows:

1. The North Dakota Securities Commission requires that certain provisions contained in the Area Development Agreement be amended to be consistent with North Dakota Law, including the North Dakota Franchise Investment Law, North Dakota Century Code Addendum, Chapter 51-19, Sections 51-19-01 et seq. Such provisions in the Agreement are hereby amended as follows:

- Covenants not to compete such as those mentioned in Section 11 of the Area Development Agreement are generally considered unenforceable in the State of North Dakota.
- The venue for mediation and arbitration set forth in Sections 15.2.2 and 15.2.3 are amended to provide the site of arbitration or mediation be agreeable to all parties and may not be remote from the franchisee's place of business.
- Section 16.2 is amended to read as follows: "Except to those rights under this Agreement based in North Dakota Franchise Investment Law § 51-19-12 N.D.C.C., the rights of the parties and provisions of this Agreement shall be interpreted and governed in accordance with the laws of the State of Utah."

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the North Dakota Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise agreement 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.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum to the Area Development Agreement and understands and consents to be bound by all of its terms.

| | |
|---|---|
| Winger's Franchising, Inc. | Franchisee:_____ |
| By: _____ | By: _____ |
| Title:_____ | Title: _____ |

**EXHIBIT "I"**
**TO THE FDD**

**RELEASE AGREEMENT (FORM)**

**RELEASE AGREEMENT**
**(Form)**

This RELEASE AGREEMENT ("Agreement") is made and entered into as of _____ by and between **WINGER'S FRANCHISING, INC.** ("Franchisor") and **_____, LLC/INC., _____, AND** _____ (jointly and severally "Franchisee"). The above will collectively at times be referred to as "Parties" and individually as "Party." Capitalized terms used herein will have the meanings set forth in the Franchise Agreement, unless defined otherwise herein.

RECITALS

WHEREAS, Franchisee entered into a Winger's Restaurant & Alehouse™ franchise agreement on _____ with Franchisor ("Franchise Agreement"); and

WHEREAS, the Franchise Agreement was personally guaranteed by _____ and _____ ("Personal Guarantor(s)"); and

WHEREAS, the Franchise Agreement has been terminated effective as of _____.

NOW THEREFORE, in consideration of the recitals, premises and other provisions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisor, Franchisee and Personal Guarantor(s) hereby agree as follows:

1. Franchisee and Personal Guarantor(s) hereby, fully and irrevocably, release, acquit and forever discharge Franchisor and its successors, affiliates, directors, officers, members, managers, employees, shareholders, representatives and agents and each of them, individually and collectively, of and from any and all claims, demands, obligations, causes of action, suits or liabilities of any kind and nature, whatsoever, whether known or unknown, suspected or unsuspected, and in whatever legal theory or form which Franchisee and Personal Guarantor(s) have or claim to have, or at any time heretofore, had or claimed to have had, or which may hereafter accrue or arise, against Franchisor, its successors, affiliates, directors, officers, members, managers, shareholders, employees and agents, and each of them, by reason of, or in any way connected with the Franchise Agreement, the relationship described therein and any business transaction, agreement or occurrence, act or omission relating thereto prior to the date hereof. Franchisee and Personal Guarantor(s) further waive any and all state law provisions limiting the effect of a general release.

2. Franchisee and Personal Guarantor(s) hereby covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court agency, or other forum, either affirmatively or by way of crossclaim, defense, or counterclaim against any person or entity released under Section 1 above with respect to any claim released under Section 1.

3. Franchisee and Personal Guarantor(s) represent that each of them fully understands the broad coverage of the release provisions of this Agreement, and that they execute the same with respect to all claims, causes of action and demands, as set forth above, they have or may have against the Franchisor, fully intending that the provisions hereof be given the broadest interpretation permitted by law or the English language. Franchisee and Personal Guarantor(s) acknowledge and expressly agree that they will make no claim, and hereby waive any right they may now have, or may hereafter have, based upon any alleged oral or written alteration, amendment, or modification of this Agreement, fully waiving any right they may have to refer to extrinsic matters in the interpretation hereof, whether to establish fraud, duress, mistake, undue influence, or for any other purpose.

4. This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for, an injunction against any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement.

5. Franchisee and Personal Guarantor(s) are reminded of their ongoing obligations under the non-competition clauses of the Franchise Agreement and the Brand Protection Agreement for Principals signed with Franchisor.

6. Miscellaneous.

6.1 Cooperation. Franchisee and Personal Guarantor(s) will make, execute and deliver to Franchisor, promptly upon request and without additional consideration, any document or instrument necessary to carry out and effectuate the purposes of this Agreement.

6.2 Choice of Law and Jurisdiction. This Agreement will be construed in accordance with and all disputes hereunder will be governed by the laws of the state of Utah without giving effect to its conflicts of law provisions. Franchisee, Personal Guarantor(s), and Franchisor hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the state of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake County, Utah will be the exclusive venue for any litigation between us. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Salt Lake County, Utah.

6.3 Arbitration. In the event any controversy or dispute arises between the Parties hereto in connection with, arising from or with respect to the provisions hereof, the relationship of the Parties hereto, or the validity of this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted exclusively in Salt Lake County, Utah, and the laws of the state of Utah will govern, without giving effect to its conflicts of law provisions. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator. The Parties agree that any claim hereunder will result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association, unless otherwise waived by the Parties. The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction.

6.4 Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

6.5 Amendment. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

6.6 Company Authority. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

6.7 Binding Agreement. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns.

6.8 Confidentiality. Franchisee and Personal Guarantor(s) agree to maintain this Agreement, the terms hereof, and any and all information obtained or provided by either Party in order to initiate a contractual relationship, in the strictest of confidence.

6.9 Counterparts. This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed, emailed pdf or other electronically delivered signature page, each of which will be deemed an original, but all of which together will constitute one and the same document.

6.10 Entire Agreement. This Agreement contains the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements between the Parties regarding the subject matter hereof are hereby terminated with no continuing duties or obligations on the part of the other Party.

6.11 Paragraph Headings. The paragraph headings appearing in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit, construe or describe the scope, interpretations or extent of such paragraph or in any way affect such paragraph or this Agreement. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers.

6.12 Enforceability. Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, not be effective to the extent of such prohibition, but such prohibition will not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction.

7. This Agreement will be effective when all the parties have signed it. The date of this Agreement will be the date this Agreement is signed by the last party to sign it as provided in the signature block below.

8. The Franchisee and Personal Guarantor(s) acknowledge that they have carefully read the foregoing Agreement and know and understand the contents of this Agreement, have been represented by counsel, or had the opportunity to be represented by counsel, and sign this Agreement as their own free act, fully intending to be legally bound thereby.

**IN WITNESS WHEREOF**, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be executed as of the date provided below written with the full authority of the company principal they represent.

| FRANCHISOR: | FRANCHISEE: |
|---|---|
| **WINGER'S FRANCHISING, INC.** | _____ |
| By: _____ (Signature) | By: _____ (Signature) |
| Name: _____ | Name: _____ |
| Title: _____ | Title: _____ |
| Date: _____ | Date: _____ |

PERSONAL GUARANTOR(S):

| | |
|---|---|
| By: _____ | By: _____ |
| Name: _____ | Name: _____ |
| Date: _____ | Date: _____ |
| By: _____ | By: _____ |
| Name: _____ | Name: _____ |
| Date: _____ | Date: _____ |

**EXHIBIT "J"**
**TO THE FDD**

**SIGNING CHECKLIST**

WINGERS
RESTAURANT & ALEHOUSE

**Franchise Documents Signing Checklist**
**The following items need to be filled out, signed, or dated by the party indicated**

**1. When you receive the FDD**

| DOCUMENT | PAGE OR SECTION NUMBER | INSTRUCTIONS | COMMENTS |
|---|---|---|---|
| FDD Receipt pages | (last 2 pages of the entire FDD packet) | There are two receipt pages at the very end of the FDD. You must sign and date both copies. You will keep the copy labeled "Franchisee Copy" and return the other copy ("Franchisor Copy") to the franchisor ("Wingers"). | |

**2. Before you sign the Franchise Agreement or other documents, but after the 14-day FDD review period**

| DOCUMENT | PAGE OR SECTION NUMBER | INSTRUCTIONS | COMMENTS |
|---|---|---|---|
| Prospective Franchisee Deposit Agreement (if applicable) | Exhibit G | **1.** On the first page, you will fill out the date and your name or your company's name if you will have a company be the franchisee.<br>**2.** Fill in your or your company's contact information and sign on page 2.<br>**3.** You and the franchisor will fill out page 3. | **Only applies if you are allowed to reserve a territory before signing the Franchise Agreement.** |

**3. When you sign the Franchise Agreement and other documents**

| DOCUMENT | PAGE OR SECTION NUMBER | INSTRUCTIONS | COMMENTS |
|---|---|---|---|
| Franchise Agreement | Cover page (page 1) | Fill in the franchisee name. | |
| Franchise Agreement | (page 3) | In first paragraph fill in date and franchisee name. | |
| Franchise Agreement | Section 18.1 (page 40) | Fill in the franchisee name, address, and email. | |
| Franchise Agreement | Signature page (page 47) | **1**. If the franchisee is an entity, (1) fill in the entity name on the line before LLC/INC., and have the president, manager, etc. sign on behalf of the entity.<br>**2**. If there is no entity, the franchisee will sign on the lower lines and print his or her name on the line before "personally." | |
| Territory | Exhibit A-1 (page 48) | If the premises is not already known, this will be filled out and initialed later. | |
| Company Reps. and Warranties | Exhibit A-2 (page 49-50) | The franchisee must fill in the appropriate fields, date, and sign. | |

| | | | |
|---|---|---|---|
| Guaranty and Assumption of Obligations | Exhibit A-4 (pages 53-54) | Fill in the date for the Personal Guaranty and have individual franchisees sign. EACH owner with 10% or more ownership interest MUST sign and have signature notarized. | |
| Brand Protection Agreement for Principals | Exhibit A-5 (page 55-58) | EACH owner and principal manager of the franchisee sign and date. | |
| Personnel Brand Protection Agreement | Exhibit A-6 (page 59-63) | All your management level employees and employees with access to the Recipes need to fill out and sign separate non-compete agreements.<br>**1.** On page 59, the employee will fill in the date the document is signed and will list you or your company as the franchisee, and the employee will fill in their address.<br>**2.** Each of required employee must sign this document. | **This must be returned to franchisor within one week of hiring** |
| Landlord's Consent to Assignment | Exhibit A-7 (page 64) | Landlord fills in the blanks, dates, and signs. | **This must be signed and returned to franchisor within 15 days of signing the lease** |
| ACH Agreement | Exhibit A-8 (page 65) | This must be filled out with all the appropriate bank information and signed. | |
| Digital and Social Media Authorization for Assignment | Exhibit A-9 (pages 66-67) | Fill in franchise name, title, date and signature on last page. Franchisee & Franchisor sign. | |
| Franchisee Report | Exhibit A-10 (page 68) | Franchisee must fill out relevant information, sign, and date. | |
| State Addenda | Exhibit A-11 | | |

**4. Other Documents To Supply to Franchisor**

| DOCUMENT | INSTRUCTIONS | CHECK WHEN COMPLETED |
|---|---|---|
| Proof of insurance | The franchisee must get and maintain insurance and provide proof of insurance that lists the franchisor as an additional insured. The franchisee must provide this **annually**. | |

| | | |
|---|---|---|
| Franchisee's d.b.a. | In the state where your franchise is located, you need to file for a dba or "doing business as" under the name "Wingers Restaurant & Alehouse _____." The blank line will be the city or neighborhood where your franchise is located or as assigned by the franchisor. For example, if your franchise is located in Irvine, California, your filed dba could be "Wingers Restaurant & Alehouse – Irvine." The franchisor must approve your dba before you file it. You must send a copy of the dba filing to the franchisor after it is filed. Please note that a dba is different from your company name if you have a company that is the franchisee. Please note that also you cannot use the name "Wingers" or "Wingers Restaurant & Alehouse" as part of your company name. | **File within 30 days of signing the franchise agreement.**<br><br>**A copy of the filing provided to franchisor within 30 days of signing the franchise agreement** |
| Franchisee's Certificate of Occupancy | Franchisee must provide a certificate of occupancy before you schedule on-site opening assistance/training | |
| Franchisee's Entity Documents | Articles of Incorporation or Organization along with Bylaws or Operating Agreement sent to franchisor. | **A copy must be provided within one week of signing Exhibit A-2** |
| Copy of Lease Agreement | The franchisee must provide a copy of the lease agreement to the franchisor. | **This must be signed and returned to franchisor within 15 days of signing the lease** |
| Release Agreement (Exhibit J to the FDD) | **This does not get signed** at the time of signing the franchise agreement. This agreement or a form thereof will only be signed upon the termination, non-renewal or transfer of the franchise. | |

## 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 |
|---|---|
| North Dakota | Pending |
| South Dakota | Pending |

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**RECEIPT**
(Franchisee's Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Winger's Franchising, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Winger's Franchising Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "F." Winger's Franchising, Inc. authorizes the respective state agencies identified on Exhibit "E" to receive service of process for it in the particular state.

The franchisor, Winger's Franchising, Inc., is located at 3950 South 700 East #302, Salt Lake City, Utah 84107. Its telephone number is (801) 261-3700.

The issuance date of this disclosure document is April 10, 2025.

The names, business addresses, and phone numbers of each franchise seller offering this franchise is as follows:

| Name | Address | Phone Number |
|---|---|---|
| Eric Slaymaker | 3950 South 700 East #302, Salt Lake City, Utah 84107 | (801) 261-3700 |
| Scott Slaymaker | 3950 South 700 East #302, Salt Lake City, Utah 84107 | (801) 261-3700 |
| Joseph Lambraia | (with Big Sky Franchise) 12850 Hwy 9 N. Ste 600 PMB 126, Alpharetta, Georgia 30004 | (770) 530-7647 |
| Tom DuFore | (with Big Sky Franchise) 12850 Hwy 9 N. Ste 600 PMB 126, Alpharetta, Georgia 30004 | (770) 530-7647 |

If your franchise seller's name and contact information is not listed above, please list the name, address, and phone number of the franchise seller: _____

I received a disclosure document dated April 10, 2025, that included the following Exhibits:

| | | | |
|---|---|---|---|
| A. | Franchise Agreement and its Exhibits | F. | List of State Agencies Responsible for Franchise Disclosure and Registration Laws |
| B. | Financial Statements | G. | Deposit Agreement |
| C. | Schedule of Franchisees | H. | Area Development Agreement |
| D. | Table of Contents for Operations Manual | I. | Release Agreement (Form) |
| E. | List of Agents for Service of Process | J. | Signing Checklist |

Date: _____
(Do not leave blank)

Signature of Prospective Franchisee
_____
Print Name
_____
Title (if signing for a company)

**Please keep this copy for your records.**

**RECEIPT**
(Franchisor's Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Winger's Franchising, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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| C. | Schedule of Franchisees | H. | Area Development Agreement |
| D. | Table of Contents for Operations Manual | I. | Release Agreement (Form) |
| E. | List of Agents for Service of Process | J. | Signing Checklist |

Date: _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

_____
Title (if signing on behalf of a company)

If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt by mailing it to 3950 South 700 East #302, Salt Lake City, Utah 84107, by emailing a copy to us at support@wingerbros.com, or by faxing a copy of the signed and dated receipt to Winger's Franchising, Inc. at (801) 261-1615.