



## FRANCHISE DISCLOSURE DOCUMENT

RW Venture Holdings, Inc.  
A Georgia corporation  
200 Galleria Parkway, SE, Suite 900  
Atlanta, Georgia 30339  
(770) 431-7600  
[racewayfranchisesales@racewaystores.com](mailto:racewayfranchisesales@racewaystores.com)  
[www.racewaystores.com](http://www.racewaystores.com)

The franchise is to operate a motor fuel station and convenience store under the "RACEWAY" trademark.

The total investment necessary to begin operation of each Raceway Business franchise is \$197,500.00 to \$585,000.00. This includes \$50,000.00 to \$100,000.00 that must be paid to the franchisor or 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 in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Pratik Patel, Manager Franchise Sales at RW Venture Holdings, Inc., 200 Galleria Parkway, SE, Suite 900, Atlanta, Georgia 30339 (770) 431-7600.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at [www.ftc.gov](http://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 of this Franchise Disclosure Document: April 29, 2024

## How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	We do not provide information to prospective franchisees about outlet sales, costs, profits or losses. We do not provide any financial information in Item 19. You should try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Raceway business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a Raceway® franchisee?</b>	Item 20 or Exhibit H and Exhibit I lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## **What You Need To Know About Franchising *Generally***

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

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

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

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

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

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

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

## **Some States Require Registration**

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

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in the state in which the franchisor then maintains its principal place of business, currently Georgia. 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 Georgia than in your own state.
2. **Spousal Liability.** Your spouse must sign a document, such as a guarantee, that makes your spouse liable for your financial obligations under the franchise agreement even if your spouse does not own any part of the franchise business. If you live in a community property state, your spouse may be liable for your financial obligations even if he or she hasn't signed anything. In either case, both you and your spouse's marital and personal assets, including your house, could be lost if your franchise fails.
3. There may be other risks concerning this franchise.

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

**THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW**

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division  
Attn: Franchise Section  
670 G. Mennen Williams Building  
525 West Ottawa, Lansing, Michigan 48933  
(517) 373-7567

Note: Notwithstanding paragraph (f) above, we intend to, and you agree that we and you will, enforce fully the provisions of the arbitration section of our agreements. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing the arbitration provisions.

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## EXHIBITS

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- EXHIBIT K RACEWAY FRANCHISEE PARTICIPATION AGREEMENT  
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- EXHIBIT L FRANCHISEE SUPPLY AGREEMENT (CORE-MARK INTERNATIONAL)
- EXHIBIT M. MACHINE BUNDLE AGREEMENT- FRAZIL (FREEZING POINT)

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT F.

## Item 1

### **THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

The franchisor is RW Venture Holdings, Inc. (“we,” “us,” “our” or “Franchisor”). “You” means the entity to which we grant a franchise (and, if applicable, development rights). If you are a corporation, limited liability company, or other entity, your owners must sign our “Guaranty and Assumption of Obligations.” This means that all or some of our Franchise Agreement’s provisions (Exhibit B) also will apply to your owners.

We are a Georgia corporation formed on August 4, 2017. Our principal business address is 200 Galleria Parkway, SE, Suite 900, Atlanta, Georgia 30339. We operate under our corporate name and the trademarks described in Item 13 (the “Marks”) and no other name. We have no predecessors. If we have an agent in your state for service of process, we disclose that agent in Exhibit A. We do not have a corporate parent.

We grant franchises for Businesses operating under the Raceway® name and other trademarks. (In this disclosure document, we call the Businesses in our system “Raceway Businesses”; we use the term “Business” to describe the Raceway Business you will operate.) Raceway Businesses operate a motor fuel station offering unbranded gasoline and motor fuel products, as well as a convenience store which offers and sells certain products prescribed by us (collectively, “Products”).

We and our affiliate, RaceTrac, Inc., whose principal business address is the same as ours, have developed (and continue to develop and modify) policies and procedures, confidential information, intellectual property (including software and website), and a distinctive and comprehensive system for constructing, operating, identifying, and promoting Raceway Businesses. RaceTrac, Inc. owns the Marks, confidential information, and branded system and has licensed this intellectual property to us to use in the Raceway Business franchise program. In addition, RaceTrac, Inc. will lease the premises on which the Business is located (“Premises”) to you and also will supply you with gasoline as consignor (see Item 6, note 2 below). RaceTrac, Inc., through its wholly owned subsidiary, Metroplex Energy, Inc. (“Metroplex Energy”), a Georgia corporation, whose principal address is the same as ours, will contract with various common carriers to deliver fuel to your Business. One of these common carriers is another one of our affiliates, Energy Dispatch LLC, a Georgia limited liability company, whose principal address is also the same as ours. If you acquire a franchise, you must operate your Business according to our business formats, methods, procedures, designs, layouts, standards, and specifications.

In December 2023, Metroplex Energy acquired Gulf Oil, LLC (“Gulf Oil”), an iconic brand offered in the United States and Puerto Rico. Gulf-branded distributors and licensees comprise approximately 1,100 branded sites. Gulf Oil’s distributor offering has independent distributors acquiring Gulf-branded products, including gasoline and diesel fuel, for ultimate resale to the motoring public. Distributors sell the products through service stations which are owned or operated by the distributor or by a distributor’s authorized, independent operators, dealers or resellers. Distributors are permitted to use Gulf Oil’s proprietary credit card and other payment systems, trade secrets, specialized equipment, point of sale system, trade dress and identification schemes within stylized station premises. As for Gulf’s licensing program, Gulf Oil grants to licensees the right to distribute motor fuel for resale at stations which are owned or operated by

the licensee or its authorized independent operators, dealers or resellers and which utilize the Gulf Formats at such Gulf-branded service stations. Gulf Formats include Gulf Oil's proprietary credit card and other payment systems, trade secrets, specialized equipment, point of sale system, trade dress, identification schemes and slogans within the stylized station premises. Depending on the distance between your Business and Gulf-branded service stations, you could face competition from Gulf-branded service stations.

Except for RaceTrac, Inc., Metroplex Energy, Inc., Energy Dispatch LLC, RT Franchising, Inc. (disclosed below) and Gulf Oil, LLC, no affiliates are disclosable in this Item.

Your Business will offer Products to the public throughout the year and compete with other gasoline stations, convenience stores, and other businesses selling similar products. The market for our Products generally is well-developed and very competitive in most areas. Despite this competition, we believe that Raceway Businesses appeal to consumers because of our locations, our Products and accessibility with a variety of fuel options.

We have offered Raceway Business franchises since December 2017 but never have we operated a Raceway Business. Since 1979, our affiliate, RaceTrac, Inc., has had operators running locations under the "Raceway" name. These operators entered into leases with RaceTrac, Inc. to occupy the premises on which the gasoline pumps and convenience store are located, and they sell gasoline owned by RaceTrac, Inc. on consignment, to customers and receive a commission on all such gasoline sales. Since December 2017, operators have been converting their businesses to Raceway Businesses under the terms of a Franchise Agreement with us. There are currently 228 franchised Raceway Businesses, but no company-owned Raceway Businesses.

In addition, commencing in October 2018, our affiliate, RT Franchising, Inc. a Georgia corporation, located at 200 Galleria Parkway SE, Suite 900, Atlanta, Georgia 30339, began offering franchises for motor fuel stations offering RaceTrac-branded gasoline and motor fuel products, as well as the operation of a convenience store, under the name "RaceTrac" ("RT Businesses"). RT Businesses, which commenced retail operations in 1979, are typically larger versions of Raceway Businesses, with a more expansive line of traditional convenience store categories than a Raceway Business, in addition to RaceTrac's branded and proprietary items. As of December 31, 2023, there were 4 franchised RaceTrac Businesses located in Florida, 2 in Georgia, and 2 in Texas in addition to the 580 RaceTrac Businesses owned and operated by RaceTrac. RT Franchising no longer offers franchises for the RaceTrac brand. We currently have no other business activities and have not offered franchises in other lines of business. Neither RT Franchising, Inc. nor RaceTrac, Inc. has offered franchises in any line of business.

No regulations apply specifically to the industry in which Raceway Businesses operate. However, there are petroleum product, environmental protection and compliance, tobacco product, cannabis and cannabidiol ("CBD") product, vape, and electronic nicotine delivery system ("ENDs"), food safety and product quality, minimum wage, tax, weights and measures, accessibility, data privacy and sanitation laws that might impact the gas station and convenience store operations. You must comply with these laws and with laws that apply generally to all businesses. You should investigate these laws and regulations when you are evaluating whether to acquire a franchise.

**Item 2**  
**BUSINESS EXPERIENCE**

**Chairman and Chief Executive Officer: Natalie Morhous**

Mrs. Morhous has been our Chairman since February 2024, and our Chief Executive Officer since January 2024. She also served as our President from February 2019 until January 2024, and as a Director since our inception. She has also been the President of RT Franchising, Inc. since February 2019. She served as the Executive Director of Energy Dispatch LLC, in Atlanta, Georgia from November 2016 to February 2019.

**Chief Financial Officer: Karla Ahlert**

Ms. Ahlert has been our Chief Financial Officer since August 2020 in Atlanta, Georgia. She has also served as our Vice President of Finance from December 2010 to August 2020.

**Chief Legal Officer: Joseph Akers**

Mr. Akers has been our Chief Legal Officer since October 2017 in Atlanta, Georgia. He also has been the Chief Legal Officer of RT Franchising, Inc. since May 2018. He also has served in the following position with RaceTrac, Inc.: Chief Legal Officer from January 2016 to present.

**Chief Development Officer: Robby Posener**

Mr. Posener has been our Chief Development Officer since December 2022 in Atlanta, Georgia. He served as RaceWay's Vice President from February 2019 to December 2022. He has also acted as Vice President of RT Franchising, Inc. since February 2019. He also acted as a Vice President for RaceTrac, Inc. in Atlanta, Georgia, from January 2010 to December 2022.

**Chief Brand Officer and Director: Melanie Isbill**

Mrs. Isbill has been our Chief Brand Officer since January 2024, and a Director since our inception. She has also served as our Chief Marketing Officer from February 2019 until December 2023 in Atlanta, Georgia. She has been a Director of RT Franchising, Inc. since May 2018 and she has also served as an Executive Director of Marketing for RaceTrac, Inc from October 2015 until February 2019.

**Vice President: Matt Harris**

Mr. Matt Harris has been our Vice President since December 2022 in Atlanta, Georgia. He has also been an Executive Director for RaceTrac, Inc since January 2012.

**Director: Jordan Bolch**

Mr. Bolch has been a Director since our inception in Atlanta, Georgia. He also has been a Director of RT Franchising, Inc. since May 2018. He also acted as a Real Estate Representative and a Director of Real Estate for RaceTrac, Inc. in Atlanta, Georgia, from September 2008 to February 2019.

**Director: Susan Bass Bolch**

Mrs. Bolch has been a director since our inception in Atlanta, Georgia. She also has been a Director of RT Franchising, Inc. since May 2018. She also has served as Corporate Secretary for RaceTrac, Inc. from June 1998 to present, located in Atlanta, Georgia.

**Director: Max Lenker**

Mr. Lenker has been a Director since our inception in Atlanta, Georgia. He also has been a Director of RT Franchising, Inc. since May 2018.

**Business Relations Officer and Director: Robert J. Dumbacher**

Mr. Dumbacher has been our Business Relations Officer since January 2017 and a Director since our inception in Atlanta, Georgia. He also has been a Director of RT Franchising, Inc. since May 2018. He has also held the following positions with RaceTrac, Inc. in Atlanta, Georgia: Chief Financial Officer for over 30 years until December 31, 2016.

**Director of Revenue Growth Management: Kamran Din**

Mr. Kamran Din has been our Director of Revenue Growth Management since September 2022 in Atlanta, Georgia. He has also held the following positions with RaceTrac, Inc: Director of Operations since October 2018, Regional Manager for RaceTrac, Inc. from January 2014 to October 2018, and District Manager from June 2009 to January 2014.

**Manager of Franchise Sales: Pratik Patel**

Mr. Pratik Patel has been our Manager of Franchise Sales since September of 2022 in Atlanta, Georgia. He has also been a District Manager for RaceTrac, Inc since February 2019.

**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**

You will pay us an initial franchise fee when you sign the Franchise Agreement. This fee is \$25,000. The initial franchise fee is non-refundable, and all franchisees will pay the \$25,000 initial franchise fee.

In addition, you will pay RaceTrac, Inc. a security deposit of \$25,000 to \$100,000 in a lump sum when you sign the Lease with RaceTrac, Inc. for the franchised premises. This amount will be based on the size of the Business and other market factors. All franchisees will be required to pay RaceTrac, Inc. a security deposit. Payment of the security deposit must be by cashier check or other method approved by us, but not by personal check. Under the terms of the Lease, RaceTrac, Inc. may apply any part or all of the security deposit to the extent required for the payment of unpaid rent or any other unpaid sums under the Lease and if RaceTrac, Inc. does so, you must restore the security deposit to its original amount upon demand by RaceTrac, Inc. In addition, RaceTrac, Inc. will retain the security deposit upon your early termination of the Lease and RaceTrac, Inc. will retain all of the security deposit upon a termination of the Lease as a result of your default. Except as otherwise described in this disclosure document, if you have complied with all of the terms of the Lease, the remaining portion of the security deposit will be returned to you no sooner than 180 days after you vacate the Lease premises upon your confirmation that you have paid and delivered to the applicable authorities, all sales tax, personal property tax and lottery payments, receipts and disbursements attributable to the Lease, and you surrender the premises in accordance with the terms of the Lease.

RaceTrac, Inc. may also require a surety bond. The amount of the surety bond, if required, will be based on the size of the Business and other market factors. Under the terms of the Lease, RaceTrac, Inc. may apply any part or all of the surety bond to the extent required for the payment of unpaid rent, or any other unpaid sums as required per the terms of the Lease.

## **Item 6** **OTHER FEES**

Type of fee <sup>1,3</sup>	Amount	Due Date	Remarks
Royalty Fee	\$1,000 per month	On or before the first day of each month.	In certain circumstances which are outside of your control (such as local market conditions), we may, in our sole discretion, reduce or eliminate the payment of the Royalty Fee for a specified period of time.
Marketing and Advertising Fee	Not to exceed \$1,000 per month	On or before the first day of each month.	We do not currently charge a Marketing and Advertising Fee but reserve the right to do so in the future.
Technology Fee	Not to exceed \$2,500 per month	On or before the first day of each month.	We will install the current back-office computer system at your Business, you will pay a technology fee which is currently \$500 per month. This fee covers your usage of our technology services including, computer software programs such as a point of sale system and/or back-office system, as well as chip and pin technology and contactless payments

Type of fee <sup>1,3</sup>	Amount	Due Date	Remarks
B2C Equipment Lease <sup>4</sup>	Currently \$340 per month for one machine, \$552 per month for 2 machines and \$788 per month for three machines, over 63 months	On or before the first day of each month.	Payable to RaceTrac, Inc.
Transfer Fee	50% of then-current initial franchise fee	At transfer closing	Payable to us if you transfer your Franchise Agreement or your Business.
Audit and Inspection Fee	Up to \$3,000 per audit or inspection	As incurred	If our audit or inspection uncovers that you are not selling approved Products at or from your Business premises
Service Charge	\$500 for each delinquent report or payment		
Interest	18% per annum or the maximum contract rate of interest permitted by governing law, whichever is less	Owed from and after date of accrual.	
Rent	As specified in the Lease-rent ranges from \$7,000 to \$40,000 per month.	Payable on the 1 <sup>st</sup> day of the Lease term and on or before the 1 <sup>st</sup> day of each calendar month thereafter.	Consists of base rent and percentage rent. In certain circumstances which are out of a Franchisee's control (such as local market conditions), we may reduce or eliminate the payment of rent for a specified period.

Type of fee <sup>1,3</sup>	Amount	Due Date	Remarks
Past Due Rent	15% of unpaid portion of rent (plus interest described above)		If paid more than 10 days following the due date.
Hold-over Rent	200% of daily Rent	Upon demand	Paid to RaceTrac, Inc. in addition to Rent and other amounts owed under the Lease for every day after Lease is terminated and you do not vacate Premises.
Gasoline Payments <sup>2</sup>	All amounts collected from customers		All amounts which you collect for gasoline shall be remitted to RaceTrac, Inc.
Indemnification	Will vary under circumstances and depend on nature of claim	As incurred	You must reimburse us for all Losses, regardless of whether litigation, arbitration or alternative dispute resolution is commenced.
Early Termination of Lease Fee	100% of the security deposit will be retained by RaceTrac, Inc. if you terminate the Lease prior to end of term	.	Eligibility for refund depends on whether you terminate your Lease early
Returned ACH payments associated with Coke Freestyle program fees or B2C lease payments	\$500 for any returned ACH payment	As incurred	Payable within 10 days of notice to you that an ACH payment you made has been rejected.

<sup>1/</sup> Except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us or RaceTrac, Inc. Except as noted above, all fees currently are uniformly imposed and are not refundable.

<sup>2/</sup> You will sell gasoline on consignment at retail prices established by RaceTrac, Inc. and shall remit all funds to RaceTrac, Inc. in accordance with the Gasoline Services Agreement, which is attached as a rider to the Lease. You will receive from RaceTrac, Inc. as

compensation for your obligations under the Gasoline Services Agreement, an amount equal to one cent per gallon of gasoline sold at retail by you at the Business premises (“Base Compensation”), which will be paid to you by RaceTrac, Inc. on a daily basis during the Lease term. In addition, you will receive a Service Reimbursement Charge in an amount equal to all service or processing fees or charges imposed by credit card or similar providers only for the retail sale of gasoline, which shall be paid to you as determined by RaceTrac, Inc. Title to all gasoline shall at all times remain with RaceTrac, Inc. until sold by you but you will be responsible for all losses of gasoline for any reason after delivery of gasoline to your premises.

- 3/ Before your Business opens, you must sign an electronic transfer of funds authorization and such other documents as we designate from time to time, to authorize and direct your bank or financial institution to transfer either electronically directly to our account or to our affiliates’ account and to charge your account all amounts due us or our affiliates.
- 4/ Before you open your Business, you must either sign a Bean 2 Cup Equipment Lease (“B2C Lease”) with RaceTrac, Inc., a copy of which is attached as Exhibit J, or purchase the Bean 2 Cup (“B2C”) equipment. The B2C Lease includes up to three B2C machines, one cappuccino maker, one creamer machine, two wire cup and lid dispensers, on wall texture and permanent sign and a promotional signage kit. Exhibit J contains the B2C Lease with three different amortization schedules attached reflecting the number of B2C machines to be leased. As an alternative to entering into the B2C Lease, you can purchase the B2C equipment for a cost of approximately \$17,000 (one B2C machine), or \$27,500 (two B2C machines) or \$39,000 (three B2C machines). These amounts may be subject to change based on then-current equipment costs from suppliers. Once you obtain and install the Bean 2 Cup equipment, you will be required to purchase all coffee beans and coffee related products (including but not limited to, sugar, cream, cups and lids) through a purchasing cooperative administered by our designated supplier.
- 5/ You must participate in any loyalty programs and other marketing and promotional initiatives that we may from time to time establish or develop and mandate such programs are a mandatory part of the Raceway franchise program. We may designate a single supplier for any of these programs or initiatives. Additionally, you may be required to purchase equipment, software, supplies and/or other materials we deem necessary in order to participate in any such initiatives and programs. Additionally, you must be in compliance with any rules and participation criteria applicable to these initiatives and programs. We have the right to modify the participation criteria or discontinue these initiatives and programs at any time upon written notice to you.
- 6/ Please be advised that depending on market and store conditions, you may be required to purchase security measures for installation in your Raceway Business.

**Item 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Type of expenditure	Amount Low- High	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee (1)	\$25,000	Lump Sum	Upon signing Franchise Agreement	Us
Rent (2)	\$21,000 - \$120,000	Cash	1 <sup>st</sup> of each month	RaceTrac, Inc.
Security Deposit	\$25,000 - \$100,000	Cash	Upon signing of Lease	RaceTrac, Inc.
Leasehold Improvements	\$5,000 - \$40,000	Cash	As incurred	Approved Suppliers
Furniture, Fixtures, and Equipment (3)	\$30,000 - \$125,000	Cash	As Incurred	Approved Suppliers
Signage	\$2,500- \$5,000	Cash	As Incurred	Approved Suppliers
Opening Inventory and Supplies	\$50,000 - \$100,000	As Incurred	As Incurred	Approved Suppliers
Training Expenses	\$1,500 - \$5,000	As Incurred	As Incurred	Us
Grand Opening Advertising	\$2,500 - \$5,000	As Incurred	As Incurred	Third Parties
Miscellaneous Opening Costs	\$15,000 - \$20,000	As Incurred	As Incurred	Third Parties
Additional Funds – 3 months (4)	\$20,000 - \$40,000	As Incurred	As Incurred	Third Parties
Total Estimated Initial Investment (5)	\$197,500 - \$585,000			

- Except for the security deposit, all or a portion of which may be refundable in accordance with the Lease terms, no other expenditure in this table is refundable.

Explanatory Notes

1. The initial franchise fee is paid when you sign the Franchise Agreement and is non-refundable.
2. A standard Business occupies approximately 500 to 6,000 square feet of leased space, or similar location. You will lease the Business' site from RaceTrac, Inc. and you will sign the Lease Agreement attached as Exhibit C. The amount set forth in this chart covers the estimated range of rent for your first three months of operation.

3. Each Franchisee may elect to purchase or lease certain furniture, fixtures or equipment for their Business, all of which must be approved by us. Such furniture, fixtures and equipment include B2C machine(s), kitchen items like fryers and ovens; security systems and general store items like coolers, beer barrels and monitors; as well as the Coke Freestyle machine under the terms of a lease directly with Coke.

4. This estimates the funds needed to cover your initial expenses for the first 3 months of operation (besides the items identified separately in the table). It includes payroll costs but not any owner's draw or salary. However, this is only an estimate, and you might need additional working capital during the Business's first 3 months of operation and for a longer time period after that. This 3-month period is not intended, and should not be interpreted, to identify a point at which your Business will break even. We cannot guarantee when or if your Business will break even. Your costs will depend on how much you follow our methods and procedures; your management skill, experience, and business acumen; local economic conditions; the prevailing wage rate; competition; and your Business' sales during the initial period. We relied on our affiliates' approximately 80 years of experience developing and operating RaceTrac locations to compile this Additional Funds estimate.

5. You should review these figures carefully with a business advisor before deciding to acquire the franchise. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan. We recommend that you use these categories and estimates as a guide for your own budget and investigate specific costs in your area.

6. If this is your first RaceWay franchise, you will be required to use accounting services provided by a designated third-party provider for at least the first twenty-four (24) months your Business is open and operating. We have agreed to be responsible for all fees associated with this service during the twenty-four (24) month period. After the twenty-four (24) month period, you may seek our consent to use different accountants, which consent we will not unreasonably withhold. We may, but need not, approve your request if we are satisfied that the accounting service provider is capable of providing the required reports and other financial information we require and otherwise complying with our accounting and financial reporting standards. However, if we are already aware of the accountants you intend to select and we are satisfied that they will be able to provide the necessary accounting and financial reporting services consistent with our minimum standards, we will provide our consent without your need to make a formal request for our consent.

## **Item 8** RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must maintain your Business in good operation and repair at all times during the term of the Franchise Agreement and pursuant to the Lease. All gasoline to be sold at the Business premises must be ordered through RaceTrac, Inc. and it will be delivered to you by approved suppliers, including our affiliate, Energy Dispatch, LLC, and title to all gasoline will remain with RaceTrac, Inc. until sold by you. We and our affiliate will select third party processors to process

any credit, debit or other card-based transactions and you will use the processor chosen by RaceTrac, Inc. or us. You will be responsible to comply with all processor requirements and will be responsible for all fees charged for user transactions, including processing fees, charge-backs and interchange fees, but subject to RaceTrac, Inc.'s payment to you of Service Charge Reimbursements for such fees related to the sale of gasoline.

Except as noted herein, all other products sold by the Business must be approved by us but you may purchase your inventory of food and beverage products from any supplier as long as the products purchased meet our specifications. Under the terms of the Lease, you must stock, display and sell quantities and varieties of products customarily sold in convenience stores, including, without limitation, snacks, tobacco products, beverages (including water, coffee, soft drinks, juices and alcoholic beverages (for off premises consumption)), dairy products and bakery items ("Required Inventory"). The Required Inventory must be stocked, displayed and sold in quantities and varieties consistent with guidelines, procedures and directives as determined by us or RaceTrac, Inc. The Required Inventory must have a minimum wholesale value and be of a quality and quantity as provided in the Lease or as otherwise commercially reasonable and necessary to operate a convenience store, as determined by us or RaceTrac, Inc. In the case of certain Required Inventory, including but not limited to, coffee, cold dispensed beverages and cigarettes, we reserve the right to limit the suppliers to us, our affiliates and/or other specified exclusive sources at the prices we or they decide to charge. On a weekly basis, you must make not less than fifty percent (50%) of your total inventory purchases and separately seventy (70%) percent or more of your nicotine purchases, both computed as a percentage of the total stock keeping units "SKU" in your RT/RW Business from our required supplier, which is currently Core Mark. We reserve the right, but are under no obligation to calculate, audit, or report to your compliance rate or status under this required supplier obligation. In addition, we may require you, from time to time, to offer and sell certain private label products in your convenience store which you will be required to purchase from us, our affiliates, or suppliers designated by us. There is a required back-office system, including hardware and software, that you must lease from us to facilitate your operation of the Business.

Except as provided above, there are no goods, services, supplies, fixtures, equipment, inventory, real estate, or comparable items related to establishing or operating the Business that you currently must buy or lease from us (or an affiliate) or designated suppliers. Any purchases from us and our affiliates, whether required or voluntary, generally will be at prices exceeding our costs so that we can make a profit (plus applicable taxes and shipping charges) (specific pricing depends on the particular item/service involved). All gasoline dispensing equipment ("Gasoline Dispensing Equipment"), pay at the pump equipment ("PAP Equipment"); automated teller machines, cash dispensing machines and check cashing equipment, kiosks, signage and other types of enclosure to hold such equipment as RaceTrac, Inc. in its sole discretion deems appropriate ("Cash Dispensing Equipment"); and all counter space, gondolas, display fixtures, air and vacuum equipment, and miscellaneous equipment, together with all signage and related items as RaceTrac, Inc. in its sole discretion deems appropriate ("Miscellaneous Equipment") will be provided by us or our affiliates (which may in the future be provided by a third party designated by us or our affiliates) for you to use at the Business premises. The Gasoline Dispensing Equipment, PAP Equipment, Cash Dispensing Equipment and Miscellaneous Equipment are collectively referred to as the "Special Equipment". We or our affiliates retain title to and ownership of all of the

**Special Equipment.** We have the right to remove all or a portion of the Special Equipment from the Business premises at any time, for any reason or no reason.

Besides these purchases and leases, you must obtain and maintain insurance coverage at your own expense. All insurance must be purchased from a reputable insurance company acceptable to RaceTrac, Inc. and us and licensed to do business in the state where the Business is located. Evidence of insurance must be provided to RaceTrac, Inc. and us within 30 days of signing the Franchise Agreement and Lease and 30 days prior to the expiration date of an existing policy of insurance. Although we might want more or different types of coverage in the future, required coverage currently includes commercial general liability insurance on a per occurrence basis, with a combined single limit of at least \$2 million for bodily injury and property damage, per occurrence; automobile liability insurance including non-owned and hired vehicle coverage with limits of liability not less than \$250,000 per accident for bodily injury and property damage; fidelity/crime insurance covering your liability to RaceTrac, Inc. under the Lease for losses due to fraud, theft or embezzlement in the amount of \$50,000 for each of your employees; theft and accident insurance in the amount of \$50,000 per occurrence; and cyber insurance in the event you obtain the consent of RaceTrac, Inc to have bitcoin or other cryptocurrency ATMs located at the Business. All insurance policies must name RaceTrac, Inc., us and any other party designated by RaceTrac, Inc. or us as additional insureds or as loss payees, as determined by us, and as primary to any insurance maintained by RaceTrac, Inc. or us. All insurance must be free of any exclusions including, but not limited to, assault and battery and firearms.

All of our officers own an interest in RaceTrac, Inc. and Energy Dispatch LLC. Other than these suppliers, there is no other supplier in which any of our officers owns an interest. RaceTrac, Inc. received rent payments under Lease Agreements from franchisees in the amount of \$18,027,213 in 2023. Except as noted above, neither we or our affiliates derived revenue or other material consideration from required purchases or leases by franchisees. We do not have any processes in effect for granting or revoking approval of alternative suppliers.

Collectively, the purchases and leases described above are virtually 100% of your overall purchases and leases to establish and operate the Business. We and our affiliates may receive payments from suppliers on account of their actual or prospective dealings with us or you. We received \$862,764 from vendors on account of franchisee purchases in 2023.

Other than certain voluntary purchasing cooperatives operated by franchisees and the purchasing cooperative established in connection with the B2C Program (described above and in Item 6), we currently do not participate in any distribution cooperatives. We and our affiliates currently negotiate purchase arrangements (including price terms) with suppliers of gasoline and food and beverage products and may reserve the right to implement a distribution or purchasing cooperative in the future. We do not provide material benefits to you (for example, renewal or granting additional franchises) for purchasing particular products or services or using 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	Article 2 of Lease	7, 8, 11, and 12
b. Pre-opening purchases/leases	Article 2.03 of Lease	5, 7, 8, and 11
c. Site development and other pre-opening requirements	Articles 2 and 5 of Lease; Section 7 of Franchise Agreement	7, 8, and 11
d. Initial and ongoing training	Section 8 of Franchise Agreement	6, 7, and 11
e. Opening	Section 3 of Franchise Agreement and Article 1.02 of Lease	11 and 17
f. Fees	Section 9 of Franchise Agreement; Article 3 of Lease	5, 6, and 7
g. Compliance with standards and policies/operating manual	Sections 6 and 16 of Franchise Agreement	8 and 11
h. Trademarks and proprietary information	Section 10 of Franchise Agreement	11, 13, and 14
i. Restrictions on products/services offered	Sections 6 and 7 of Franchise Agreement; Articles 1.12 and 5.06 of Lease	8, 11, 12, and 16
j. Warranty and customer service requirements	N/A	Not Applicable
k. Territorial development and sales quotas	N/A	12
l. On-going product/service purchases	Article 5 of Lease	6 and 8
m. Maintenance, appearance, and remodeling requirements	Sections 5 and 6 of Franchise Agreement; Article 4 of Lease	8, 11, and 17
n. Insurance	Section 13 of Franchise Agreement; Article 6 of the Lease	7 and 8
o. Advertising	Sections 4 and 9(c) of Franchise Agreement	5, 6, 7, 8, and 11

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
p. Indemnification	Section 17 of Franchise Agreement; Article 10.03 of Lease	6
q. Owner's participation/management/staffing	Section 1 of Franchise Agreement	11 and 15
r. Records and reports	Section 11 of Franchise Agreement	Not Applicable
s. Inspections and audits	Section 12 of Franchise Agreement	6 and 11
t. Transfer	Sections 18 and 19 of Franchise Agreement; Article 7 of Lease	17
u. Renewal	Section 3 of Franchise Agreement; Article 2.10 of Lease	17
v. Post-termination obligations	Sections 15 and 20 of Franchise Agreement; Articles 2.06 and 8 of Lease	17
w. Non-competition covenants	Section 20 of Franchise Agreement; Article 2.06 of Lease	15 and 17
x. Dispute resolution	Sections 22 and 23 of Franchise Agreement; Articles 8.06 and 11 of the Lease	17

## **Item 10** **FINANCING**

As further described in Items 5, 6, 7 and 8, you must sign a Lease with RaceTrac, Inc. for the franchised premises and sell gasoline on consignment and remit all funds to RaceTrac, Inc. in accordance with the Gasoline Services Addendum which is attached to the Lease. To secure your obligations under the Lease and Gasoline Services Addendum, you must sign the form of security agreement attached as Exhibit B to the Lease (“Security Agreement”), which gives RaceTrac, Inc. a security interest in all present and after acquired inventory, equipment, fixtures, accounts and all general intangibles (the “Collateral”). You will be in default under the Security Agreement if you fail to pay any amounts owed to RaceTrac, Inc. or to us under the Franchise Agreement or you fail to perform and adhere to all of your obligations, indebtedness and covenants to RaceTrac, Inc. or to us. Upon default, RaceTrac, Inc. will have all of the rights and remedies of a secured party under the Uniform Commercial Code which include, but are not limited to, entering upon the premises where the Collateral is located so that we may take possession of the Collateral and may sell, lease or otherwise dispose of the Collateral, or any part thereof, at RaceTrac, Inc.’s sole discretion. You must pay RaceTrac, Inc.’s attorneys’ fees and costs to enforce the terms of the Security Agreement and waive presentment, demand and protest and notice of presentment, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal, as well as waive the right to a jury trial and any objection to venue of any action instituted under the

Security Agreement and consent to the granting of any legal or equitable relief as is deemed appropriate by the court. RaceTrac, Inc. has no present intention to sell, assign, or discount to a third party all or any part of the Security Agreement, but RaceTrac, Inc. reserves the right to do so. Except as otherwise set forth herein, we do not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

Under the Franchise Agreement, all owners and their spouses will be required to sign a Guaranty under which the signatories guarantee the full performance and observance of all of the covenants, conditions and agreements in the Franchise Agreement will be performed and observed by the Franchisee and the signatories agree to be bound by all of the covenants, conditions and agreements contained in the Franchise Agreement.

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

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

Before you begin operating the Business, we or RaceTrac, Inc. will:

1. Locate a site and then lease it to you. RaceTrac, Inc. will select the site for the Business. The factors that RaceTrac, Inc. considers in identifying a site include location, traffic patterns, purchase price, zoning and other governmental requirements, and competition.
2. Furnish you, in our sole discretion, with guidance and operating assistance with respect to: (i) methods, standards, specifications and operating procedures to be utilized in the Business; (ii) purchasing required equipment, products (i.e. cigarettes and coffee), materials and supplies. In connection therewith, we have the right to dictate the services and products that you will offer from time to time at the Business; (iii) designated suppliers (which may include and/or be limited to us and/or one of our affiliates); and (iv) advertising and promotional programs. (Franchise Agreement – Section 7).
3. Always utilize any Special Equipment in accordance with the Lease. (Lease – Article 2).
4. Give you access during the franchise term to the Operations Manual (currently consisting of 338 total pages), the current table of contents of which is Exhibit D. (Franchise Agreement – Section 6)
5. Train you and individuals designated by you at a place and time designated by us. (Franchise Agreement – Section 8). We describe this training later in this Item.

During your operation of the Business:

1. Although we do not have an obligation to do so, we may advise you of operating problems of your business that come to our attention. We may furnish or make available any such guidance and assistance in the form of references to the Operations Manual, bulletins and other written materials, electronic computer messages, telephonic conversations or

consultations at our offices or at the Business premises. (Franchise Agreement – Section 7).

2. To determine whether you are complying with the Franchise Agreement, we or our designee will have the right at times during normal business hours upon reasonable prior notice to enter onto the Business premises and inspect the facility and the operation of the Business by you and, additionally, to conduct an audit or examination of, the business records, bookkeeping and accounting records, invoices, bank deposits, receipts and other business records and documents. (Franchise Agreement – Section 12).
3. Continue to give you access to the Operations Manual, which we may revise, update, or amend from time to time in our absolute discretion (Franchise Agreement – Section 7).
4. Let you use Confidential Information. (Franchise Agreement – Section 21)
5. Let you use the Marks. (Franchise Agreement – Section 10)
6. May offer ongoing training courses. (Franchise Agreement – Section 8)
7. May establish minimum advertising, promotion and marketing requirements on you (Franchise Agreement – Section 4)

#### Your Local Marketing Obligations

You must use your best efforts to advertise, promote and market the Business. We may (i) establish minimum advertising, promotion and marketing requirements upon you; (ii) you are required to comply with any such minimum requirements; and (iii) we may revise, update or amend such minimum requirements from time to time in our absolute discretion.

Although we do not currently require you to pay a marketing and advertising fee (“Marketing and Advertising Fee” or “M/A Fee”), we reserve the right to institute at any time a monthly M/A Fee not to exceed \$1,000 per month. At such time as we institute such M/A Fee, we will issue a notice to you with information concerning the payment of such M/A Fees including the scope of planned uses of the M/A Fees and other guidelines and rules concerning such fees. When, and if instituted, you will have no right or interest in any of the M/A Fees which we collect.

There currently are no franchisee advertising councils advising us on advertising policies. However, we have the power at any time to form, change, dissolve, or merge a franchisee advertising council. There is no obligation contained in the Franchise Agreement which requires you to participate in a local or regional advertising cooperative.

#### Opening

We estimate that it will be three (3) months after you sign the Franchise Agreement and pay the initial franchise fee before you begin operating the Business.

## Computer System

During the term of the Franchise Agreement and Lease, you are required to use the electronic cash registers and computer systems that we install on the Premises which are owned by us or our affiliates (the “Computer System”). The Computer System will be used predominantly for accounting transactions, inventory control and loyalty activity. You may also use the Computer System to help develop a data base of customers and prospective customers and other confidential information.

You acknowledge and agree that we will have full and complete access to the information and data entered into and produced by the Computer System, including, without limitation, email communications and related data, and we can use the same in any way we deem appropriate. You must purchase any upgrades, enhancements and/or replacements to the Computer System and/or related hardware and software as we may from time to time require. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Business, including all data protection, privacy and security laws as well as payment card industry (PCI) compliance. We own all customer information associated with the Business and we may use the customer information as we deem appropriate (subject to applicable law), including disclosing it to vendors or sharing it with our affiliates for cross-marketing or other purposes. You may only use customer information for the purpose of operating the Business to the extent permitted under this Agreement, including the Operations Manual during the term hereof and subject to such restrictions as we may from time to time impose and in compliance with all data privacy, security and other applicable laws. Without limiting the foregoing, you agree to comply with applicable law in connection with your collection, storage, disclosures and your use and our use of such customer information, including, if required under applicable law, obtaining consents from customers to our and our affiliates’ use of the customer information. You must comply with all laws and regulations relating to data protection, privacy and security, including data breach response requirements (“Privacy Laws”), as well as data privacy and security policies, procedures and other requirements we may periodically establish. You must notify us immediately of any suspected data breach at or in connection with the Business. You must fully cooperate with us and our counsel in determining the most effective way to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You are responsible for any financial losses you incur or remedial actions that you must take as a result of breach of security or unauthorized access to customer information in your control or possession.

If any repair, maintenance or upgrades are necessary during the term of the Franchise Agreement, we or our affiliates will do so and be responsible for all associated costs and expenses. We charge a monthly technology fee, since your Business is using our current back-office computer system, which is currently \$500 per month and which we have the right to increase to \$2,500 per month (See Item 6). Such fees are intended to cover your usage of our technology services and products including, computer software programs such as a point-of-sale system and/or back-office system to facilitate your operation of the Business. Additionally, you may also be required to obtain resources necessary for the operation of your computer system. These costs will be the responsibility of the lessee.

We have the right to design new technology solutions for the operation of your Business and to require you to implement such solutions with the cost associated with such new technology to be covered by monies from the Technology Fees we collect from the franchise system.

We own and will have independent access to the information that will be generated or stored in any electronic cash register or computer system and there are no contractual limitations on our or our affiliates' rights to use this information. In addition, we have the right to obtain information about your product purchases from certain third-party suppliers and there are no contractual limitations on our or our affiliates' rights to use this information.

### Training

Training will occur after you sign the Franchise Agreement. It will generally consist of four hours of on-the-job training on the day you commence Business operations. In addition, you will need to complete twenty-four hours of back-office computer system training either prior to the time you begin operating your Business or shortly afterward. Training may be conducted virtually or at our support center or at a regional training facility designated by us, as determined by us in our sole discretion. In connection with this initial training, you will not be responsible for the cost of such training or the travel and living expenses of our trainers. We plan to be flexible in scheduling training to accommodate our personnel, you, and your personnel and will conduct training programs as necessary. There currently are no fixed training schedules. We also may provide and require you and your owner and officers, and those individuals designated by us to attend ongoing training if we provide it. Training required may be different among new-to-market locations vs existing locations. With respect to any and all ongoing training programs which we may offer and which are not conducted virtually, you must pay all room, board and travel expenses incurred during training. As of this disclosure document's issuance date, we provide the following training:

### **TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Back-office computer system training	24	16	Virtually or at our support center (currently in Atlanta, Georgia) or at a regional training facility designated by us
On-the-job training	0	24	At your Business
Total Hours	24	40	

Training will be overseen by Matt Harris. Mr. Harris has been our Vice President since December 2022 and also an Executive Director with RaceTrac, Inc. since January 2012. Training will be conducted by our district managers who have experience in all aspects of Business operations and training given their tenure with the Raceway brand and who will supervise, or otherwise be involved in, franchisee training. We also have a significant amount of training materials available on-line and in our Manual. Such training is virtual, self-paced, and can be accessed by you anytime at the operator portal located at <https://www.racewaystores.com/apply/login>.

## **Item 12** **TERRITORY**

### **Franchise Agreement**

The rights granted to you under the Franchise Agreement are non-exclusive and we and our affiliates including our subsidiaries reserve all rights, including, without limitation, the right to operate and grant others the right to operate motor fuel stations and convenience stores under the Marks including RACEWAY and RACETRAC at any other location, and the right to distribute and sell RaceTrac gasoline, branded or unbranded gasoline, and/or any other fuel products at any other locations or through other channels of distribution.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we may control, including Gulf branded motor fuel stations and convenience stores. We (and any affiliates we periodically have) retain the right during the franchise term to engage in any and all activities that we (and they) desire, at any time or place, whether or not those activities compete with your Business. Our unlimited rights include the right to (1) construct, develop, and operate, and grant to others the right to construct, develop, and operate, Raceway or RaceTrac Businesses anywhere we want and on any terms and conditions we deem appropriate, (2) offer and sell products and other items identified by the Marks or any other trademarks to any customers, wherever located or operating, and through any distribution channels, wherever located or operating, (3) construct, develop, and operate, and grant to others the right to construct, develop, and operate, any types of businesses under any trademarks anywhere we want and on any terms and conditions we deem appropriate, and (4) engage in all other activities the Franchise Agreement does not expressly prohibit. We need not compensate you if we engage in these activities. For purposes of clarity, your territory does not include a virtual environment including, but not limited to, the metaverse, WEB3, or in connection with NFTs.

You have no options, rights of first refusal, or similar rights to acquire additional franchises.

As described in Item 1, our affiliate, RaceTrac, Inc., currently owns and operates 580 RaceTrac stores and RT Franchising, Inc., which previously offered franchises for RT Businesses. There is no formal mechanism in place for resolving any conflict that may arise between your Raceway Business and the RT Businesses regarding territory, customers or franchisor support. If conflicts do arise, we will resolve them as we deem appropriate. Except as noted in this paragraph, we and our affiliates have not established other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark,

although we have the right to do so. Continuation of your franchise does not depend on your achieving a certain sales volume, market penetration, or other contingency.

**Item 13**  
**TRADEMARKS**

You may use certain Marks in operating the Business. The principal Marks are:

MARK	REGISTRATION NUMBER	REGISTRATION DATE
<b>RACEWAY</b>	1784457	July 27, 1993 Renewed: July 24, 2013
<b>RACEWAY</b>	2288357	October 26, 1999 Renewed: October 30, 2019
	2350123	May 16, 2000 Renewed: July 18, 2020

RaceTrac, Inc., our affiliate, claims ownership of these Marks and has registered all Marks on the Principal Register of the United States Patent and Trademark Office (USPTO). RaceTrac, Inc. intends to file all required affidavits of use and renewal applications when due for the various Marks if the Marks still are important to the system.

RaceTrac, Inc. licenses us to use the above Marks and related intellectual property and to sublicense them to franchisees to use in operating Businesses under an intellectual property license agreement dated November 28, 2017 (the "License Agreement"). The term of the License Agreement is 20 years and automatically renews for a period of 20 years, unless sooner terminated or we provide written notice of non-renewal to RaceTrac, Inc. at least 90 days before the term expires. RaceTrac, Inc. may terminate the License Agreement immediately upon written notice to us if we breach the License Agreement and fail to cure the breach within 30 days after receiving notice. If the License Agreement expires or terminates, RaceTrac, Inc. will have the option to acquire through assignment our rights in and to any and all franchise agreements we signed with franchisees. If RaceTrac, Inc. does not exercise the option, RaceTrac, Inc. will make arrangements with franchisees to allow them to continue using the Marks and related intellectual property for the term and any renewal term of their franchise agreements, so long as they comply with their franchise agreements and agree to be bound by all other reasonable requirements RaceTrac, Inc. imposes. No other agreement limits our right to use or sublicense any of the Marks (whether we own them or RaceTrac, Inc. licenses them for use in the operation of Businesses).

You may use the Marks only in the manner authorized and permitted by us and any unauthorized use will constitute a breach of the Franchise Agreement and an infringement of our and RaceTrac, Inc.'s rights in and to the Marks. You must execute any documents we deem necessary to register or otherwise obtain protection for the Marks or to maintain their continued validity and enforceability. You may not use any Mark in your corporate, partnership or trade name or as a fictitious name or in conjunction with the Marks of any third party without our prior written consent, except to the extent permitted by the Operations Manual or other written materials provided by us.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark or of any person's claim of any rights in any Mark or confusingly similar trademark. You may not communicate with any person other than us, RaceTrac, Inc., and our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We and RaceTrac, Inc. may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other proceeding concerning any Mark. You must help us protect and maintain our and RaceTrac, Inc.'s interests in any litigation or USPTO or other proceeding. We will reimburse your costs for taking any requested action.

If it becomes advisable at any time for us and/or you to modify, discontinue using and/or replace any Mark and/or to use one or more additional, substitute, or replacement trade or service marks together with or instead of any previously designated Mark, you must comply with our directions within a reasonable time after we deliver notice. We and RaceTrac, Inc. need not reimburse your direct expenses for changing the Business's signs, your lost revenue due to any modified or discontinued Mark, or your expenses in promoting a modified or substitute trademark or service mark.

We will reimburse you for all damages, claims, and expenses you incur or for which you are liable in any proceeding challenging your right to use any Mark under the Franchise Agreement if your use has been consistent with the Franchise Agreement, the Operations Manual, and our System Standards and you timely notify us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any Mark.

For purposes of clarity and notwithstanding anything to the contrary contained in the Franchise Agreement, and to the maximum extent permitted by applicable law, we reserve to ourselves, our successors and assigns any rights to access, use, create, distribute, publish and further develop those rights commonly referred to as "digital media rights," "digital advertisement rights," or "persistent media in augmented reality."

**Item 14**  
**PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

No patents or patent applications are material to the franchise. We and RaceTrac, Inc. claim copyrights in the Operations Manual (which contains our trade secrets and confidential information), Business blueprints and other design features, advertising and marketing materials, menu boards, and similar items used in operating Raceway Businesses. We and RaceTrac, Inc. have not registered these copyrights with the United States Copyright Office but currently need not do so to protect them. You may use these items only as we specify while operating your Business (and must stop using them if we so direct you).

There currently are no effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding our copyrighted materials. Our license with RaceTrac, Inc. described in Item 13 also covers copyrighted materials and confidential information. No other agreement limits our right to use or allow others to use copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of our copyrighted materials in any state.

We and RaceTrac, Inc. need not protect or defend copyrights, although we intend to do so if in the Raceway system's best interests. We need not defend you, or participate in your defense, against claims arising from your use of our copyrights or indemnify you for expenses or damages you incur in a copyright proceeding. We and RaceTrac, Inc. have the right to control the prosecution or defense of any copyright proceeding, whether we learn of the matter from you or on our own.

All ideas, concepts, techniques or materials relating to a Raceway Business, whether or not protectable intellectual property and whether created by or for Franchisee or its owners, employees or contractors, must be promptly disclosed to Franchisor and will be deemed to be Franchisor's sole and exclusive property.

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

Brand Standards may require adequate staffing levels to operate the Business in compliance with brand standards and may address appearance of Business personnel and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices.

You must designate one of your individual owners holding at least 10% of your ownership interests to serve as your "Operating Principal." We must pre-approve the proposed Operating Principal or any replacement Operating Principal. The Operating Principal is responsible for your Business' overall management and must spend a minimum of twenty-five (25) hours on the Premises. The Operating Principal will communicate with us directly regarding motor fuel station and convenience store-related matters and must have sufficient authority to make business decisions for you and the Business. The Operating Principal's decisions will be final and will bind you.

The Operating Principal must successfully complete initial training before you open the franchised Business. We have the right to terminate the Franchise Agreement if the Operating Principal fails to do so. Any replacement Operating Principal must be appointed within 30 days after the former Operating Principal's last day and attend initial training within 30 days after we approve him or her.

Other than the Operating Principal, you, and your other owners, if you are an entity, need not be actively involved in the day-to-day operations of the Business, provided, however, that (i) you and the owners remain actively involved in the overall management of the Business to ensure, among other things, that the Business maintains our brand standards and strictly complies with the terms and conditions of your Franchise Agreement with us, (ii) you designate a sufficient number of individuals who need not have an ownership interest in you or the Business to operate as a managers who will be responsible for the Business' overall supervision and operation on a day-to-day basis and must devote his or her full-time efforts to the Business. This individual must be fully trained, which means that the person(s) attended and successfully completed portions of the initial training appropriate for her or his position. If you want or need to change this manager, you must appoint the replacement manager within 30 days after the former manager no longer occupies that position. The replacement manager must be fully trained as stated above.

You must maintain the confidentiality of the Confidential Information provided to you under the Franchise Agreement, disclosing this Confidential Information to your employees only to the extent necessary for compliance with the Franchise Agreement. Additionally, you agree that you will not use Confidential Information in any business other than its Business or in any manner not specifically approved in writing by us. For purposes of this Franchise Disclosure Document, "Confidential Information" means all proprietary information, knowledge, know-how, drawings, technology, marketing plans, strategic plans, business techniques, methods of operation, procedures, supplies, computer systems and programs, the Raceway website, domain names and other online communications access, data and statistics with respect to the Raceway franchise program and the operation of a Raceway facility provided by Franchisor or its affiliates in the ordinary course of business, in any form including the Operations Manual and standards, specifications, rules and regulations associated with a Business regardless of whether such are labeled confidential, proprietary or trade secret. Confidential Information does not include information which is already in the public domain.

In order to protect our Confidential Information, we may require you and your owners to sign a Non-Disclosure Agreement before the Franchise Agreement is signed if you and your owners might have access to our Confidential Information during a "discovery day" or otherwise before we grant you the franchise.

If you are a corporation, limited liability company, or partnership, your owners and their spouses must personally guarantee your obligations under the Franchise Agreement and agree personally to be bound by every contractual provision, whether containing monetary or non-monetary obligations, including the covenant not to compete. This Guaranty is attached to the Franchise Agreement.

**Item 16**  
**RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell all gasoline and related motor fuel products purchased from us, RaceTrac, Inc. or our affiliates at the Business premises. You must also offer and sell products customarily sold in convenience stores including, without limitation, snacks, tobacco products, beverages (including water, coffee, soft drinks, juices and alcoholic beverages (for off premises consumption)), dairy products and bakery items, which must be stocked, displayed and sold in quantities and varieties consistent with that of similar convenience stores located in the general vicinity of the Business. We reserve the right to limit the suppliers to us, our affiliates and/or specific other exclusive sources. We may also require you to offer and sell certain private label products in your convenience store which you will be required to purchase from us, our affiliates, or suppliers designated by us. You may not offer or sell any unauthorized products or services, including but not limited to, cannabis products, restrictive tobacco products, consumable/ingestible CBD products, Kratom, K2, Spice, Delta variants and/or nicotine-based products or those containing THC. Additionally, you may not market, sell or distribute from your Business any products that have received a market denial order (MDO) from the U.S. Federal Drug Administration. You have the obligation under the terms of your Franchise Agreement to operate the Business in full compliance with all applicable laws, especially with respect to the products offered for sale and sold in the Business.

**Item 17**  
**RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

**These tables list certain important provisions of the Franchise Agreement and Lease Agreement. You should read these provisions in the agreements attached to this disclosure document.**

**FRANCHISE AGREEMENT**

<b>PROVISION</b>	<b>SECTION IN FRANCHISE AGREEMENT</b>	<b>SUMMARY</b>
a. Length of the franchise term	Section 3	Term shall continue for the term of the Lease.
b. Renewal or extension of the term	Section 3	Term shall continue for any renewal term of the Lease.
c. Requirements for franchisee to renew or extend	Section 3	Term shall continue for any renewal term of the Lease.
d. Termination by franchisee	N/A	
e. Termination by franchisor without cause	N/A	

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
f. Termination by franchisor with cause	Section 14	We can terminate if you default or Lease is terminated.
g. "Cause" defined — curable defaults	Section 14	If you default in any obligations under the Franchise Agreement and fail to cure such default within 10 days after notice
h. "Cause" defined — non-curable defaults	Section 14	Termination or expiration of the Lease or any agreement with us or our affiliates for any reason.
i. Franchisee's obligations on termination/non-renewal	Section 15	Not identify yourself as a current or former authorized franchisee, return all advertising materials, forms or other materials relating to the Business; cease use of the Marks.
j. Assignment of contract by franchisor	Section 19	Fully transferable by us.
k. "Transfer" by franchisee — defined	Section 18	No transfer without our consent which can be withheld for any reason.
l. Franchisor approval of transfer by franchisee	Section 18	No transfer without our prior written consent.
m. Conditions for franchisor approval of transfer	Sections 9(e) and 18	Conditions are solely determined by us and payment of a transfer fee.
n. Franchisor's right of first refusal to acquire franchisee's business	N/A	
o. Franchisor's option to purchase franchisee's business	N/A	
p. Death or disability of franchisee	N/A	
q. Non-competition covenants during the term of the franchise	Section 20	You cannot install gasoline dispensing and/or electric charging equipment, have ownership in or operate a convenience store or retail motor fuel station at any location within 3 miles of the Business premises

<b>PROVISION</b>	<b>SECTION IN FRANCHISE AGREEMENT</b>	<b>SUMMARY</b>
r. Non-competition covenants after the franchise is terminated or expires	Section 20	For one year after end of Lease term, you cannot install gasoline dispensing equipment, have ownership in or operate a convenience store or retail motor fuel station at any location within 3 miles of the Business premises
s. Modification of the agreement	Section 26	Writing must be signed by parties against whom enforcement is sought.
t. Integration/merger clause	Section 26	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 22	Litigation in state in which we then maintain our principal place of business
v. Choice of forum	Section 22	In state in which we then maintain our principal place of business
w. Choice of law	Section 22	Georgia law applies (without regard to its conflict of law principles).

## LEASE

<b>PROVISION</b>	<b>SECTION IN LEASE</b>	<b>SUMMARY</b>
a. Length of the franchise term	Article 1.02	The Lease term will be for 5 years.
b. Renewal or extension of the term	Article 2.10	Not less than 180 days prior to expiration of Lease term, you must notify RaceTrac, Inc. of interest in renewal of Lease.
c. Requirements for franchisee to renew or extend	Article 2.10	RaceTrac, Inc. will notify you of interest in renewal and proposed terms which you must accept in 10 days.

PROVISION	SECTION IN LEASE	SUMMARY
d. Termination by franchisee	Article 2.09(a)	You may terminate Lease effective 180 days after delivery of notice if: no uncured defaults; you remain liable for all obligations through termination date. RaceTrac, Inc. retains a pro rata portion of security deposit depending on when you terminate.
e. Termination by franchisor without cause	Article 2.09(b)	RaceTrac, Inc. may terminate Lease effective 180 days after delivery of notice.
f. Termination by franchisor with cause	Article 8	Certain enumerated defaults.
g. "Cause" defined — curable defaults	Article 8.01B	If you default in any obligations under the Franchise Agreement and fail to cure such default within 10 days after notice
h. "Cause" defined — non-curable defaults	Articles 2.09(c) and 8.01A	Termination or expiration of the Lease for any reason; any lease or any other agreement between you or an affiliate and RaceTrac, Inc or its affiliates is terminated for any reason; activity which negatively impacts volume of gasoline sold on the Premises; bankruptcy/insolvency; license to sell alcohol suspended/revoked; felony or misdemeanor involving fraud or moral turpitude; criminal or illegal activities from the Business premises; failure to maintain license and permits; assignment without consent; abandonment of premises; failure to maintain insurance; receipt of a State sales tax lien; failure to obtain consent for remodeling; misrepresentation in or failure to provide financial statements; suspected theft of RaceTrac, Inc. Funds or RaceTrac Gasoline; failure to accurately enter all sales into the point-of-sale system; failure to pay or disburse any

PROVISION	SECTION IN LEASE	SUMMARY
		taxes, lottery receipts/payments, or utility charges; use of Premises for anything other than Permitted Use; unauthorized disclosure of RaceTrac, Inc.'s confidential information; failure to immediately notify RaceTrac, Inc. of any criminal activity of law enforcement activity on Premises;
i. Franchisee's obligations on termination/non-renewal	Article 8	Not identify yourself as a current or former authorized franchisee, return all advertising materials, forms or other materials relating to the Business; cease use of the Marks.
j. Assignment of contract by franchisor		Fully transferable by RaceTrac, Inc..
k. "Transfer" by franchisee — defined	Article 7	No transfer without RaceTrac, Inc.'s consent which can be withheld for any reason.
l. Franchisor approval of transfer by franchisee	Article 7	No transfer without RaceTrac, Inc.'s prior written consent.
m. Conditions for franchisor approval of transfer	Article 7	Conditions are solely determined of RaceTrac, Inc..
n. Franchisor's right of first refusal to acquire franchisee's business	N/A	
o. Franchisor's option to purchase franchisee's business	Article 5.05	You may require that RaceTrac, Inc. purchase certain eligible equipment from you if RaceTrac, Inc. terminates the Lease without cause, you notify RaceTrac, Inc. at least 20 days prior to termination of interest in selling eligible equipment and a special circumstance exists.
p. Death or disability of franchisee	N/A	
q. Non-competition covenants during the term of the franchise	Article 2.06	You cannot install gasoline dispensing equipment, have ownership in or operate a convenience store or retail motor fuel station at any location within 3 miles of the Business premises

PROVISION	SECTION IN LEASE	SUMMARY
r. Non-competition covenants after the franchise is terminated or expires	Article 2.06	For one year after end of Lease term, you cannot install gasoline dispensing and/or electric charging equipment, have ownership in or operate a convenience store or retail motor fuel station at any location within 3 miles of the Business premises
s. Modification of the agreement	Article 12.02	Writing must be signed by both parties
t. Integration/merger clause	Article 12.02	All discussions, and agreements are merged into the Lease.
u. Dispute resolution by arbitration or mediation	Article 11.01	Litigation
v. Choice of forum	Article 11.01	State court in Cobb County, Georgia or US District Court for the Northern District of Georgia, Atlanta Division
w. Choice of law	Article 11.01	Georgia law applies (without regard to its conflict of law principles).

## **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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Joseph Akers, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1

Systemwide Outlet Summary  
For years 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	199	204	+5
	2022	204	213	+9
	2023	213	228	+15
Company- Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	199	204	+5
	2022	204	213	+9
	2023	213	228	+15

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)  
For years 2021 to 2023

State	Year	Number of Transfers
Alabama	2021	0
	2022	4
	2023	6
Arkansas	2021	0
	2022	0
	2023	1
Florida	2021	1
	2022	1
	2023	1
Georgia	2021	2
	2022	3
	2023	2

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Louisiana	2021	0
	2022	3
	2023	1
Mississippi	2021	0
	2022	2
	2023	2
North Carolina	2021	0
	2022	0
	2023	4
South Carolina	2021	0
	2022	3
	2023	2
Tennessee	2021	0
	2022	0
	2023	2
Texas	2021	0
	2022	0
	2023	2
Virginia	2021	0
	2022	0
	2023	2
TOTALS	2021	3
	2022	16
	2023	25

Table No. 3

**Status of Franchised Outlets**  
For years 2021 to 2023

<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Terminations</b>	<b>Non-Renewals</b>	<b>Reacquired By Franchisor</b>	<b>Ceased Operations Other Reasons</b>	<b>Outlets at End of the Year</b>
Alabama	2021	40	0	0	0	0	0	40
	2022	40	0	0	1	0	0	39
	2023	39	4	0	6	0	0	43
Arkansas	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	1	0	0	2
Florida	2021	39	5	0	0	0	0	39
	2022	38	0	1	0	0	0	38
	2023	43	2	0	1	0	0	43

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Georgia	2021	27	3	0	0	0	0	30
	2022	30	3	0	0	0	0	33
	2023	33	0	0	2	0	0	33
Louisiana	2021	20	0	0	0	0	0	20
	2022	20	0	0	1	0	0	20
	2023	20	1	0	1	0	0	20
Mississippi	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
	2023	8	0	0	2	0	0	8
North Carolina	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	4	0	0	6
South Carolina	2021	12	0	0	0	0	0	12
	2022	12	0	0	0	0	0	12
	2023	12	0	0	2	0	0	12
Tennessee	2021	16	0	1	0	0	0	15
	2022	15	0	0	0	0	0	15
	2023	15	0	0	2	0	0	15
Texas	2021	16	3	0	0	0	0	10
	2022	10	6	0	0	0	0	13
	2023	13	3	0	2	0	0	19
Virginia	2021	17	0	0	0	0	0	17
	2022	17	0	0	1	0	0	17
	2023	17	0	0	2	0	0	17
Totals	2021	199	6	1	0	0	0	204
	2022	204	12	0	3	0	0	213
	2023	213	15	0	25	0	0	228

Table No. 4  
 Status of Company-Owned Outlets  
 For years 2021 to 2023

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
[All States]	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

Table No. 5  
Projected Openings as of December 31, 2023

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets In The Next Fiscal Year	Projected New Company-Owned Outlets In The Next Fiscal Year
Alabama	1	3	0
Florida	1	3	0
Georgia	0	0	0
Louisiana	1	1	0
Mississippi	0	3	0
North Carolina	0	4	0
South Carolina	0	1	0
Tennessee	1	2	0
Texas	0	0	0
Virginia	2	0	0
Total	6	17	0

A list of the names of all franchisees and the addresses and telephone numbers of their Raceway Business is attached as Exhibit H to this disclosure document. Attached as Exhibit I is a list of franchisees who had a Business terminated, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased doing business under our Franchise Agreement, during our last fiscal year or who have not communicated with us within 10 weeks of this disclosure document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses restricting them from discussing with you their experiences as a franchisee in our franchise system. There are no trademark-specific franchisee organizations associated with the Raceway franchise system.

**Item 21**  
**FINANCIAL STATEMENTS**

Exhibit E contains our audited financial statements as of December 31, 2023 and 2022, and the related statements of operations, changes in stockholders' equity, and cash flows for each of the three years then ended, and the related notes to the financial statements.

**Item 22**  
**CONTRACTS**

The following contracts/documents are exhibits:

- (a) Franchise Agreement — Exhibit B
- (b) Lease Agreement and Gasoline Services Agreement — Exhibit C
- (c) Franchisee Representations — Exhibit G
- (d) Bean 2 Cup Lease — Exhibit J
- (e) Raceway Franchisee Participation Agreement for Coke Freestyle — Exhibit K
- (f) Franchisee Supply Agreement with Core-Mark International— Exhibit L
- (g) Machine Bundle Agreement for Frazil -Freezing Point – Exhibit M

**Item 23**  
**RECEIPTS**

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

**EXHIBIT A**

**LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

**STATE AGENCIES/AGENTS  
FOR SERVICE OF PROCESS**

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

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

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

**CALIFORNIA**

Commissioner of Department of Financial Protection & Innovation  
Department of Financial Protection & Innovation  
Toll Free: 1 (866) 275-2677

*Los Angeles*

Suite 750  
320 West 4<sup>th</sup> Street  
Los Angeles, California 90013-2344  
(213) 576-7500

*Sacramento*

2101 Arena Boulevard  
Sacramento, California 95834  
(866) 275-2677

*San Diego*

1350 Front Street, Rm. 2034  
San Diego, California 92101-3697  
(619) 525-4233

*San Francisco*

One Sansome Street, Suite 600  
San Francisco, California 94105-2980  
(415) 972-8559

**HAWAII**

(for service of process)

Commissioner of Securities  
Department of Commerce  
and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813  
(808) 586-2722

(for other matters)

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

**ILLINOIS**

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

**INDIANA**

(for service of process)

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

(state agency)

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

### **MARYLAND**

(for service of process)

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

(state agency)

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

### **MICHIGAN**

Michigan Attorney General's Office  
Consumer Protection Division  
Attn: Franchise Section  
G. Mennen Williams Building, 1st Floor  
525 West Ottawa Street  
Lansing, Michigan 48933  
(517) 335-7567

### **MINNESOTA**

Commissioner of Commerce  
Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1600

### **NEW YORK**

(for service of process)

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

(Administrator)

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8236 (Phone)

### **NORTH DAKOTA**

(for service of process)

Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue  
Fourteenth Floor, Dept. 414  
Bismarck, North Dakota 58505  
(701) 328-4712

(state agency)

North Dakota Securities Department  
600 East Boulevard Avenue  
Fourteenth Floor, Dept. 414  
Bismarck, North Dakota 58505  
(701) 328-2910

### **OREGON**

Oregon Division of Financial Regulation  
350 Winter Street NE, Suite 410  
Salem, Oregon 97301  
(503) 378-4140

**RHODE ISLAND**

Securities Division  
Department of Business Regulations  
1511 Pontiac Avenue  
John O. Pastore Complex-Building 69-1  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

Division of Insurance  
Securities Regulation  
124 S. Euclid, Suite 104  
Pierre, South Dakota 57501  
(605) 773-3563

**VIRGINIA**

(for service of process)

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

(for other matters)

State Corporation Commission  
Division of Securities and Retail Franchising  
Tyler Building, 9th Floor  
1300 East Main Street  
Richmond, Virginia 23219  
(804) 371-9051

**WASHINGTON**

(for service of process)

Director Department of Financial Institutions  
Securities Division  
150 Israel Road SW  
Tumwater, Washington 98501  
(362) 902-8760

(for other matters)

Department of Financial Institutions  
Securities Division  
P. O. Box 41200  
Olympia, Washington 98504-1200  
(362) 902-8760

**WISCONSIN**

(for service of process)

Administrator, Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-2139

(state administrator)

Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-9555

**EXHIBIT B**  
**FRANCHISE AGREEMENT**

**RW VENTURE HOLDINGS, INC.**

**FRANCHISE AGREEMENT**

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## **FRANCHISE AGREEMENT**

This Franchise Agreement (this "Agreement") is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and between RW Venture Holdings, Inc., a Georgia corporation with its principal offices at 200 Galleria Parkway S.E., Suite 900, Atlanta, Georgia 30339 ("Franchisor") and \_\_\_\_\_ ("Franchisee").

### **RECITALS**

**WHEREAS**, Franchisor and/or its affiliates are in the business of establishing motor fuel stations and convenience stores selling gasoline and other fuel products marketed under the RaceWay name ("RaceWay Gasoline");

**WHEREAS**, Franchisor and its affiliates are associated with certain trademarks, service marks and other commercial symbols including "RACEWAY" (collectively the "Marks");

**WHEREAS**, concurrently with the execution of this Agreement, Franchisee has signed a Lease Agreement with Franchisor's affiliate, RaceTrac, Inc. (the "Lease"), wherein Franchisee has obtained the right to possession of the Premises and to dispense RaceWay Gasoline.

**WHEREAS**, Franchisee desires to operate a RaceWay motor fuel station and convenience store (the "Business") at the location identified in Exhibit A attached hereto (the "Premises"), subject to the terms of this Agreement.

**NOW THEREFORE**, in consideration of the material covenants hereinafter set forth, and for other good and valuable consideration the receipt of which is hereby acknowledged, the parties agree as follows:

1. **Grant**. Franchisor hereby grants to Franchisee the right to operate the Business at, and only at, the Premises identified in Exhibit A attached hereto and to use the Marks in connection with the promotion and operation of the Business. Franchisee, and its owner and officers if Franchisee is an entity, accepts such grant and agrees to devote full time and best efforts to the operation of the Business faithfully, honestly and diligently, in strict compliance with the terms of this Agreement. In the event of any conflict between this Agreement and the Lease, the Lease shall take precedence.

2. **Non-Exclusivity**. The rights granted to Franchisee herein are non-exclusive and Franchisor and its affiliates reserve all rights, including, without limitation, the (i) right to operate and grant others the right to operate motor fuel stations and convenience stores under the Marks including RACEWAY at any other location, (ii) right to distribute and sell RaceWay Gasoline, branded or unbranded gasoline, and/or any other fuel products at any other locations or through other channels of distribution and (iii) right to distribute Gulf-branded or unbranded gasoline and other fuel and non-fuel products from locations in close proximity to your RaceWay.

3. **Term**. The term of this Agreement shall commence on the date hereof and, subject to Section 18 hereof, will continue for the term and any renewal term of the Lease.

4. **Marketing of the Business.** Franchisee agrees to use its best efforts to advertise, promote and market the Business. Franchisee acknowledges and agrees that (i) Franchisor may establish minimum advertising, promotion and marketing requirements upon Franchisee; (ii) Franchisee is required to comply with any such minimum requirements; and (iii) Franchisor may revise, update or amend such minimum requirements from time to time in its absolute discretion.

5. **Operation and Maintenance of the Business; Operating Principal.** Franchisee agrees to maintain the Business in good operation and repair at all times during the term of this Agreement pursuant to the Lease. Upon signing this Agreement, Franchisee must designate one of its individual owners holding at least a ten-percent (10%) ownership interest in Franchisee to serve as Franchisee's operating principal (the "Operating Principal"). The initial Operating Principal, whom Franchisor has consented to, is identified on Schedule 1 in the Lease Agreement. You must have an approved Operating Principal at all times during the Term. The Operating Principal always must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

(1) We must pre-approve any proposed change in the individual designated as the Operating Principal.

(2) The Operating Principal is responsible for the overall management of Business. The Operating Principal must have sufficient authority to make business decisions for you that are essential to the Business' effective and efficient operation. The Operating Principal must communicate directly with Franchisor regarding any Business-related matters (excluding matters relating to labor relations and employment practices). The Operating Principal's decisions will be final and will bind Franchisee, we may rely solely on the Operating Principal's decisions without first discussing the matter with another party and we will not be liable for actions we take based on your Operating Principal's decisions or actions.

(3) The Operating Principal must successfully complete initial training before the Business opens to the general public (although the Operating Principal must satisfactorily complete initial training only one time, regardless of the number of RaceWay stores that Franchisor or its affiliates own or own and operate). If the Operating Principal fails to complete initial training to Franchisor's satisfaction, Franchisor may terminate this Agreement.

(4) To change the individual designated as the Operating Principal, Franchisee must appoint a new individual (the "Replacement Operating Principal") for that role—in order to protect the RaceWay brand—within thirty (30) days after the former Operating Principal no longer occupies that position. The Replacement Operating Principal must attend initial training within thirty (30) days after Franchisor approves the individual. Franchisee must pay the then-current Replacement Operating Principal training fee for each Replacement Operating Principal attending initial training during the term and also are responsible for the Replacement Operating Principal's compensation and travel expenses during such initial training.

6. **Operations Manuals.** In order to protect the reputation and goodwill of Franchisor and to maintain high standards of operation under the Marks, Franchisor may develop and require that Franchisee conduct the Business in strict compliance with operations manuals, operating materials and bulletins promulgated by Franchisor, which may consist of more than

one handout or volume (collectively, the "Operations Manuals"), a copy of which shall be made available to Franchisee. Franchisee shall at all times treat the Operations Manuals and the information contained therein as confidential and shall use all reasonable efforts to maintain such information as secret and confidential. The Operations Manuals shall at all times remain the sole property of Franchisor and shall at all times be kept in a secure place. Franchisor may revise, update, or amend the Operations Manuals from time to time in its absolute discretion. Franchisee's obligations to maintain the confidentiality of the Operations Manuals will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

7. **Obligations of Franchisor.** Franchisor may furnish Franchisee, in its sole discretion, with guidance and operating assistance with respect to: (i) methods, standards, specifications and operating procedures to be utilized in the Business; (ii) purchasing required equipment, products (i.e. cigarettes and coffee), cold dispensed beverages, materials and supplies. In connection therewith, Franchisor has the right to dictate the services and products that Franchisee will offer from time to time at the Business; (iii) designated suppliers (which may include and/or be limited to Franchisor and/or one of its affiliates) and that Franchisor shall have the right for it or its affiliates to receive compensation, remuneration, allowances and other financial benefits from your purchases from such designated suppliers and neither Franchisor nor its affiliates are required to account to Franchisee for any such benefits Franchisor or its affiliates receive from such suppliers or to share the benefit of such amounts with Franchisee or any other franchisee; and (iv) advertising and promotional programs. Although Franchisor does not have an obligation to do so, Franchisor may advise Franchisee of those instances when Franchisee has failed to comply with any one or more brand standards associated with the RaceWay franchise system or otherwise has breached the terms of the Franchisee's franchise agreement in a material way. Franchisor may furnish or make available any such guidance and assistance in the form of references to the Operations Manuals, bulletins and other written materials, electronic computer messages, telephonic conversations or consultations at Franchisor's offices or at the Premises. Franchisor will not be liable to Franchisee or any other person, and Franchisee waives all claims for liability or damages of any type (whether direct, indirect, incidental, consequential, or exemplary), on account of any guidance or operating assistance offered by Franchisor. Franchisor will make no separate charge to Franchisee for the operating assistance and guidance Franchisor customarily provide to its franchisees generally. Occasionally, Franchisor may make special assistance programs available to Franchisee upon Franchisee's request, for which Franchisee agrees to pay the fees and charges that Franchisor may establish in its sole discretion.

8. **Loyalty Programs.** Franchisee must participate in any loyalty programs and other marketing and promotional initiatives that Franchisor may from time to time establish or develop and mandate such programs are a mandatory part of the Raceway franchise program. Franchisor may designate a single supplier for any of these programs or initiatives. Additionally, Franchisee may be required to purchase equipment, software, supplies and/or other materials Franchisor deems necessary in order to participate in any such initiatives and programs. Additionally, Franchisee must be in compliance with any rules and participation criteria applicable to these initiatives and programs. Franchisee acknowledges and agrees that Franchisor has the right to modify the participation criteria or discontinue these initiatives and programs at any time upon written notice to Franchisee or to the franchise system.

9. **Equipment.** Franchisor shall, at its sole cost and expense, install trade fixtures, equipment, signs and other personal property that are appropriate and necessary for the operation of the Business, subject to Franchisor's reasonable approval. Franchisor also has the right to restrict the type of equipment that can be utilized at the Business or installed on the Premises. In addition, under the Lease and/or this Agreement, Franchisee will also be required to purchase or lease from RaceTrac, Inc. or third parties designated by RaceTrac, Inc., certain equipment for use in the Business which may include, but not be limited to, (i) all coffee and coffee related products used with the B2C equipment for the B2C program must be purchased through a purchasing cooperative administered by a designated supplier, which is currently Community Coffee Bean 2 Cup Machines, (ii) the Coke FreeStyle beverage equipment must be obtained directly from the Coca Cola Company, and (iii) and equipment and supplies to participate in the Frazil Frozen Uncarbonated product offering must be obtained from Freezing Point LLC. At the end of the term of the Lease, such fixtures, equipment, signs and personal property will become the property of RaceTrac, Inc. and must remain on the Premises, unless RaceTrac, Inc. or third parties designated by RaceTrac, Inc. permit Franchisee to remove the equipment in accordance with the terms of the Lease. Franchisee will own the B2C equipment at the end of the B2C Lease, but the Coke FreeStyle equipment will need to be returned to The Coca Cola Company.

10. **Accounting Services.** If Franchisee is new to the RaceWay franchise system, Franchisee will be required to use accounting services provided by a designated third-party provider for at least the first twenty-four (24) months the Business is open and operating. Franchisor has agreed to be responsible for all fees associated with this service during the twenty-four (24) month period. After the twenty-four (24) month period, Franchisee may seek our consent to use different accountants, which consent will not be unreasonably withheld.

11. **Training.** Prior to commencing operation of the Business, Franchisee and its owners and designated staff must attend Franchisor's "on the job" initial training program at the Business. Franchisee and its owners and designated staff must also complete back-office computer system training either prior to or shortly after Franchisee begins operating the Business which may be conducted virtually, or at Franchisor's support center or at a regional training facility identified by Franchisor, in Franchisor's sole discretion. Additionally, at its discretion, Franchisor may provide additional training programs and require Franchisee, its owners and designated staff to attend such ongoing training programs. Franchisee will be responsible for all room, board and travel expenses incurred by it and its staff during any of these training programs. In addition, in the event that Franchisee is given notice of default under this Agreement and the default relates, in whole or in part, to Franchisee's failure to meet operational standards, Franchisor has the right to require as a condition of curing the default that Franchisee's owner(s) and/or general managers and such other staff members designated by Franchisor must attend and complete, at Franchisee's expense, additional training programs designated by Franchisor at one or more locations designated by Franchisor.

12. **Fees.**

(a) **Initial Franchise Fee.** In consideration for the grant of license under this Agreement, Franchisee must pay to Franchisor an initial franchise fee in the amount of \$25,000 (the "Initial Franchise Fee"). The Initial Franchise Fee is due and payable in lump sum upon the execution of this Agreement and is fully earned and non-refundable upon receipt.

(b) Royalty Fees. In addition to the Initial Franchise Fee and in consideration of the rights granted to Franchisee hereunder, Franchisee shall pay Franchisor a monthly royalty fee established by Franchisor, but in an amount not to exceed \$1,000 (“Royalty Fee”). The monthly Royalty Fee is due on or before the first day of each month during the term of this Agreement, without offset or reduction for any reason. For partial months, the Royalty Fee shall be prorated.

(c) Marketing and Advertising Fee. At any time during the term of this Agreement, Franchisor reserves the right to require Franchisee to pay a monthly marketing and advertising fee set by Franchisor (“Marketing and Advertising Fee” or “M/A Fee”), but which shall not exceed \$1,000. At such time as Franchisor institutes such M/A Fee, Franchisor will issue a notice to Franchisee with information concerning the payment of such M/A Fees including the scope of planned uses of the M/A Fees and other guidelines and rules concerning such fees. The monthly M/A Fee, if instituted, will be due on or before the first day of each month during the term of this Agreement, without offset or reduction for any reason. For partial months, the M/A Fee will be prorated. When, and if instituted, Franchisee shall have no right or interest in any of the M/A Fees collected by Franchisor.

(d) Technology Fee. Franchisee shall pay a monthly technology fee in the amount of \$500 per month (“Technology Fee”), which can be increased by Franchisor, but which shall not exceed \$2,500. The monthly Technology Fee is due on or before the first day of each month during the term of this Agreement, without offset or reduction for any reason. For partial months, the Technology Fee will be prorated. This fee is intended to cover Franchisee’s usage of Franchisor’s technology services and products including, without limitation, computer software programs such as a point-of-sale system and/or back-office system to facilitate Franchisee’s operation of the RaceWay franchise, as well as chip and pin technology and contactless payments.

(e) Transfer Fees. As further described in Section 21, if Franchisee obtains Franchisor’s prior written consent to a transfer of this Agreement or any interest in this Agreement, the Business or all or substantially all of the Business’s assets, or any Controlling Ownership Interest (as defined herein), in addition to any other requirements imposed by Franchisor on the Franchisee or the transferee, Franchisee or the transferee must pay Franchisor a transfer fee equal to fifty percent (50%) of the amount of the then-current initial franchise fee. “Controlling Interest” shall mean a five percent (5%) or more direct or indirect legal or beneficial ownership interest in Franchisee.

(f) Electronic Transfer of Funds. Franchisee must sign an electronic transfer of funds authorization, the current form of which is attached as Exhibit B, and such other documents as Franchisor designates from time to time, to authorize and direct Franchisee’s bank or financial institution to transfer either electronically or through some other method of payment designated by Franchisor to transfer electronically directly to Franchisor’s account or Franchisor’s affiliates’ and to charge to Franchisee’s account all amounts due to Franchisor or its affiliates. Franchisee’s authorizations must permit Franchisor and its affiliates to designate the amount to be transferred from Franchisee’s account. Franchisee must maintain a balance in its account sufficient to allow Franchisor and its affiliates to collect the amounts owed when due.

Franchisee is responsible for any penalties, fines, fees or other similar expenses associated with the transfer of funds described in this Section.

(g) Interest Charges; Late Fees. Any and all amounts that Franchisee owes to Franchisor or to its affiliates will bear interest at the rate of 18% per annum or the maximum contract rate of interest permitted by governing law, whichever is less, from and after the date of accrual. In addition to interest charges on late Royalty Fee payments, Franchisee must pay to Franchisor a service charge of \$500 for each delinquent report or payment that Franchisee owes to Franchisor under this Agreement. A payment is delinquent for any of the following reasons: (i) Franchisor does not receive the payment on or before the date due; or (ii) there are insufficient funds in Franchisee's account to collect the total payment by a transfer of funds on or after the date due. The service charge is not interest or a penalty; it is only to compensate us for increased administrative and management costs due to late payment.

(h) Enter All Sales in POS System. Franchisee agrees that all sales from the Business, including those made with cash, shall be entered into the primary point of sale cash register system (except such sales that are registered through a separate point of sale interface (e.g. vending machines or kiosks)) and it shall be an event of default under Section 17 of this Agreement for any misrepresentation of sales or revenues, such as any failure to enter such sales in the point of sale system and/or intentionally modify or alter the sale price thereof except pursuant to an advertised sale, promotion or reasonable credit or refund.

13. **The Marks.** With respect to Franchisee's use of the Marks, Franchisee agrees that:

(a) Franchisee shall use the Marks only in the manner authorized and permitted by Franchisor and that any unauthorized use thereof shall constitute a breach of this Agreement and an infringement of Franchisor's and its affiliates' rights in and to the Marks.

(b) Franchisee shall execute any documents deemed necessary by Franchisor or its counsel to register or otherwise obtain protection for the Marks or to maintain their continued validity and enforceability.

(c) Franchisee shall not use any of the Marks as part of any corporate, partnership or trade name or as a fictitious name or in conjunction with the Marks (including trademarks, trade names, service marks, or other indicia) of any third party without Franchisor's express written consent, except to the extent permitted by the Operations Manual or other written materials provided by Franchisor.

(d) Franchisee shall not directly or indirectly (i) challenge, attack or contest the validity or the ownership of the Marks, (ii) claim any right, title or interest in or to any of the Marks, (iii) register or apply to register any of the Marks, or any mark that is confusingly similar to the Marks anywhere in the world, or (iv) grant to anyone any right or authority to use any of the Marks for or in connection with any goods, services or businesses.

(e) In the event that litigation involving the Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor and its affiliates in defending or settling such litigation or threatened litigation.

(f) Franchisor reserves the right to substitute different proprietary marks for use by Franchisee in its business if any Marks can no longer be used, or if Franchisor, in its sole discretion, determines that substitution of different proprietary marks will be beneficial to Franchisee's business. Franchisee shall comply and cooperate, at Franchisee's expenses, with any requirements imposed by Franchisor regarding the substitution of different marks.

(g) Franchisee will not attempt to register a domain name that contains any mark without the prior approval of Franchisor and subject to such conditions as Franchisor may require, including the obligation to assign such domain names to Franchisor upon termination or expiration of this Agreement.

(h) Franchisee shall only use those Marks expressly designated by Franchisor for use by Franchisee and only in connection with the Business.

(i) Franchisor reserves for itself, its successors and assigns any and all rights to access, use, create, distribute, publish and further develop those rights commonly referred to as "digital media rights," "digital advertisement rights," or "persistent media in augmented reality."

(j) Franchisor shall control all advertising and listings for Franchisee and other franchisees of Franchisor in online directories, including Google My Business, Yelp, Facebook, Instagram, Twitter and other types of social media and virtual communities and networks.

14. **Accounting, Bookkeeping, Records and Reporting.** All of the following reports required from Franchisee shall be submitted to Franchisor in electronic format delivered in accordance with the requirements set forth in the Operations Manual.

(a) **Daily Point of Sale Data.** Franchisor has the right to electronically obtain information regarding any and all sales and/or cash flow from the Business, and Franchisee hereby consents to same. Franchisee acknowledges and agrees that Franchisor has the right to sell such sales and cash flow information provided the information is scrubbed so the information does not identify the franchisee or groups of franchisees who submitted such information to us in the ordinary course of business.

(b) **Sales and Personal Property Tax Returns.** Franchisee shall provide to Franchisor a copy of any and all monthly, quarterly and/or annual sales and/or personal property tax returns filed with any local or State authority, within five (5) business days following the date Franchisee has submitted the same to such authority.

(c) **Monthly Gross Sales Reports Due to Franchisor.** Upon demand from Franchisor, Franchisee shall provide Franchisor with a statement warranting and certifying to be

a true, complete and correct statement setting forth Gross Sales for the calendar month being reported. Franchisee acknowledges and agrees that Franchisor may obtain Franchisee's reports of Gross Sales directly through the point of sale system, and in such event, Franchisee may only be required to provide a report certifying and warranting the Gross Sales with respect to any additional sales occurring at the Business outside such point of sale system, which report shall be provided to Franchisor not later than five (5) business days following the last day of the calendar month in which such sales occurred.

(d) Quarterly Reports Due to Franchisor. Not later than sixty (60) days following the end of the first full calendar quarter of Franchisee's operation on the Business, and thereafter on the schedule set forth below during the Term, Franchisee shall provide Franchisor with Franchisee's most current quarterly financial and/or year-end financial statements (including if and as requested, an annual balance sheet, a profit/loss statement, and statement of cash flow), as well as Franchisee's most current quarterly Lotto, Lottery and EBT reports. All of the foregoing reports shall be certified to be true and correct by an officer of Franchisee, a Certified Public Accountant acting on behalf of the Franchisee or Franchisee's accounting service provider as described above. The reporting schedule is set forth in the Operations Manual.

<u>Period of Reporting</u>	<u>Report Due Date</u>
January - March	May 31
April-June	August 31
July – September	November 30
October - December	February 28

15. **Inspections and Audits**. Franchisor has the right to audit, examine, and make copies of or extract information from the bank accounts, books of account and records maintained by Franchisee or Franchisee's accountant or other representatives and Franchisee shall make the same available to Franchisor for inspection. Franchisee shall fully cooperate with Franchisor in making, conducting, supervising or observing any such inspection or audit. If Franchisor's audit or inspection uncovers that Franchisee is selling unapproved Products at or from the Business premises, Franchisor has the right to collect audit or inspection costs and expenses from Franchisee. Notwithstanding any contrary provision herein, any intentional, willful or negligent misstatement or misrepresentation contained in any financial reporting made to Franchisor constitute a default under Section 17 of this Agreement.

16. **Insurance**. Franchisee shall procure and maintain in full force and effect during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee and Franchisor, and their respective officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of or occurring upon or in connection with the Business as required under the Lease. All insurance must be purchased from a reputable insurance company acceptable to RaceTrac, Inc. and Franchisor and licensed to do business in the state where the Business is located and such insurance must be free of any exclusions including, but not limited to, assault and battery and firearms. Evidence of insurance must be provided to RaceTrac, Inc. and Franchisor within 30 days of signing the Franchise Agreement and Lease and 30 days prior to the expiration date of an existing policy of insurance. Although Franchisor might require more or

different types of coverage in the future, required coverage currently includes commercial general liability insurance on a per occurrence basis, with a combined single limit of at least \$2 million for bodily injury and property damage, per occurrence; automobile liability insurance including non-owned and hired vehicle coverage with limits of liability not less than \$250,000 per accident for bodily injury and property damage; fidelity/crime insurance covering Franchisee's liability to RaceTrac, Inc. under the Lease for losses due to fraud, theft or embezzlement in the amount of \$50,000 for each of your employees; theft and accident insurance in the amount of \$50,000 per occurrence; and cyber insurance in the event Franchisee obtains the consent of RaceTrac, Inc to have bitcoin or other cryptocurrency ATMs located at the Business. All insurance policies must name RaceTrac, Inc., Franchisor and any other party designated by RaceTrac, Inc. or Franchisor as additional insureds or as loss payees, as determined by Franchisor, and as primary to any insurance maintained by RaceTrac, Inc. or Franchisor.

17. **Termination by Franchisor.** Franchisor shall have the right to terminate this Agreement effective immediately upon written notice to Franchisee: (i) if Franchisee defaults in any of its obligations under this Agreement and fails to cure such default within ten (10) days after written notice thereof is delivered to Franchisee, or (ii) upon termination or expiration of the Lease or any other agreement between Franchisor, RaceTrac, Inc. and Franchisee or any of Franchisee's affiliates for any reason.

18. **Effect of Termination or Expiration.** Upon termination or expiration of this Agreement, Franchisee's right to operate the Business under this Agreement shall immediately cease, effective as of the date of termination or expiration. Franchisee agrees that, upon the termination or expiration of this Agreement, Franchisee will:

- (a) not directly or indirectly at any time or in any manner identify himself or any business as a current or former authorized franchisee of Franchisor;
- (b) and return to Franchisor all advertising materials, forms, and other materials relating to the Business; and
- (c) cease using the Marks or any similar trademarks, service marks or logotypes.

19. **Compliance with Laws and Good Business Practices.** Franchisee shall secure and maintain in force all required licenses, permits and certificates relating to his activities hereunder and shall operate in full compliance with all applicable laws, ordinances and regulations. Additionally, Franchisee must always remain in compliance with the PCI Security Standards Council's Payment Card Industry Data Security Standard ("PCI-DSS") and all other applicable rules and requirements as may be promulgated from time to time by the PCI Security Standards Council, by any successor thereto, by any member thereof, or by any entity that functions as a card brand, card association, payment processor, acquiring bank, merchant bank or issuing bank with respect to a payment card bearing the logo of a PCI Security Standards Council member, including, without limitation, the Payment Application Data Security Standards and all audit and filing requirements. In all dealings with customers, suppliers, Franchisor and the public, Franchisee must adhere to the highest standards of honesty, integrity,

fair dealing and ethical conduct. All advertising and promotion by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice which may be injurious to the business of Franchisor. Franchisee may not establish a separate website for its business without the prior written consent of Franchisor. Immediately after Franchisee's receipt of any notice of any violation of a health or sanitation code, law or regulation which affects the day-to-day operation of the Business, Franchisee must provide Franchisor with a copy of the notice and a detailed plan to correct the alleged violation. Franchisee agrees not to take any action, or omit to take any action, which could have the effect of causing the Franchisee to be in default of the Lease. Franchisee may not use any Mark in any user name, screen name, or profile in connection with any social media sites, except in compliance with Franchisor's guidelines set forth in the Operations Manual or otherwise communicated to Franchisee.

## 20. Indemnification.

(a) Franchisee agrees to indemnify and hold harmless Franchisor and its affiliates, and its and their respective owners, directors, officers, employees, agents, representatives, successors and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all Losses (defined below) directly or indirectly arising out of or relating to: (i) the operation of the Business; (ii) Franchisee's conduct under this Agreement; (iii) Franchisee's breach of this Agreement; (iv) Franchisee's noncompliance or alleged noncompliance with any law, ordinance, rule or regulation, including any allegation that Franchisor or another Indemnified Party is a joint employer or otherwise responsible for Franchisee's acts or omissions relating to Franchisee's employees; or (v) claims alleging either intentional or negligent conduct, acts or omissions by Franchisee (or Franchisee's contractors or any of Franchisee's or their employees, agents or representatives), or by Franchisor or its affiliates (or Franchisee's or their contractors or any of Franchisee's or their employees, agents or representatives). "Losses" means any and all losses, expenses, obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that an Indemnified Party incurs, including accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

(b) Franchisee agrees to defend the Indemnified Parties against any and all claims asserted or inquiries made (formally or informally), or legal actions, investigations, or other proceedings brought, by a third party and directly or indirectly arising out of or relating to any matter described in subparts (i) through (v) above (collectively, "Proceedings"), including those alleging the Indemnified Party's negligence, gross negligence, willful misconduct and/or willful wrongful omissions. Each Indemnified Party may at Franchisee's expense defend and otherwise respond to and address any claim asserted or inquiry made, or Proceeding brought, that is subject to this Section 20 (instead of having you defend it as required above), and agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses Franchisee is solely responsible. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against Franchisee, and Franchisee agrees that a failure to pursue a recovery or mitigate a Loss will not reduce or alter the amounts that an Indemnified

Party may recover from Franchisee under this Section 20. Franchisee's obligations in this Section 20 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

21. **Assignment by Franchisee.** This Agreement may not be transferred or assigned without the prior written consent of Franchisor, which consent may be withheld in its sole and absolute discretion. Franchisee understands and agrees that this Agreement may not be transferred or assigned unless the Lease is transferred and assigned to the same party. If Franchisor consents to the transfer of this Agreement, Franchisee or the transferee will also be required to pay the transfer fee set forth in Section 12(e). Except as provided in this Agreement, any purported transfer or assignment by Franchisee, by operation of law or otherwise, not having prior consent of Franchisor is null and void.

22. **Assignment by Franchisor.** This Agreement is fully transferable by Franchisor and shall inure to the benefit of any transferee or other legal successor to Franchisor's interests herein.

23. **Covenants.** Franchisee hereby agrees that during the term of this Agreement and for a period of one (1) year thereafter, Franchisee will not (nor will Franchisee permit any entity or person which is controlled by, controlling or under common control with Franchisee, nor any entity or person which provides any financial capital or support to Franchisee for the operation of the Premises to) do any of the following:

(a) install gasoline storage tanks, gasoline pumps, gasoline dispensers, electric charging stations, or similar dispensing equipment at any location that is within three (3) miles of any legal boundary line of the real property upon which the Premises lies; or

(b) unless otherwise approved by Franchisor in writing, have any ownership or operational interest in any convenience store or retail motor fuel station at any location that is within three (3) miles of any legal boundary line of the real property upon which the Premises lies.

This restriction will survive the termination of this Agreement and at any time during or following the term of this Agreement, Franchisor is authorized to record a reference to such restriction in the public records, and Franchisee will execute a recordable agreement setting forth such restriction upon Franchisor's request. Franchisee's violation of the foregoing restriction shall be an immediate default hereunder, and Franchisor shall have the right to pursue any and all rights and remedies provided herein, together with any rights or remedies otherwise available at law or in equity, including collection for consequential and punitive damages against Franchisee. To provide the parties the protection and restriction intended herein, the parties agree that the 1-year period provided in this Section 23 shall be automatically tolled during the pendency of a proceeding whereby either party challenges or seeks to enforce the covenant-not-to compete, provided that such proceeding is initiated during the term of this Agreement or during the 1-year post-termination period as provided herein.

24. **Confidential Information.** Franchisee acknowledges that the Confidential Information is disclosed to Franchisee by Franchisor and that the Confidential Information is

proprietary, confidential and Franchisor's trade secret. Franchisee agrees that it will maintain the confidentiality of the Confidential Information both during and after the term of this Agreement, disclosing the Confidential Information to Franchisee's employees only to the extent necessary for compliance with this Agreement. Franchisee agrees that it will not use Confidential Information in any business other than its Business or in any manner not specifically approved in writing by Franchisor. For purposes of this Agreement, "Confidential Information" means all proprietary information, knowledge, know-how, drawings, technology, marketing plans, strategic plans, business techniques, methods of operation, procedures, supplies, computer systems and programs, the Raceway website, domain names and other online communications access, data and statistics with respect to the Raceway franchise program and the operation of a Raceway facility provided by Franchisor or its affiliates in the ordinary course of business, in any form including the Operations Manual and standards, specifications, rules and regulations associated with a Business regardless of whether such are labeled confidential, proprietary or trade secret. Confidential Information does not include information which is already in the public domain.

25. **Governing Law, Jurisdiction and Waiver of Class-Action.** This Agreement and the relationship between Franchisor and Franchisee shall be governed by and construed in accordance with the laws of the State of Georgia (without regard to its conflict of law principles). With respect to any controversies, disputes or claims which arise under this Agreement, the parties irrevocably submit to the jurisdiction of the state courts of the state in which Franchisor then maintains its principal place of business and the federal district courts in such state and hereby waive all questions of personal jurisdiction and venue for the purpose of carrying out this provision. The parties further irrevocably agree not to argue that such court is an inconvenient forum or to request transfer of any such action to any other court. Notwithstanding the foregoing, Franchisor may bring an action for a temporary restraining order or for temporary or preliminary injunctive relief, in any federal or state court in the state in which Franchisee or any of its owners resides or the Premises is located. The parties agree that any legal proceeding between Franchisor and Franchisee will be conducted on an individual basis, and not on a joint, collective, or class-wide basis, and that a legal proceeding between Franchisor and its affiliates, and Franchisor and such affiliates' respective owners, officers, directors, agents and/or employees, and Franchisee (and/or its owners, guarantors, affiliates and/or employees) may not be consolidated or joined with any other judicial proceeding between Franchisor and any other person. No claim by either party hereunder shall be subject to any legal proceeding conducted pursuant to the Lease Agreement.

26. **Waiver of Exemplary Damages and Jury Trial.**

(a) **EXCEPT FOR FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR UNDER SECTION 20, FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS) WAIVE TO THE FULLEST EXTENT THE LAW PERMITS ANY RIGHT TO OR CLAIM FOR ANY EXEMPLARY, PUNITIVE, TREBLE, AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN FRANCHISOR AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.**

(b) **FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER FRANCHISOR OR FRANCHISEE. FRANCHISOR AND FRANCHISEE EACH ACKNOWLEDGE THAT FRANCHISOR AND FRANCHISEE MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.**

27. **Notices and Payments.** All written notices permitted or required by the provisions of this Agreement delivered by hand and shall be deemed delivered one (1) business day after transmission by facsimile, telecopy or other electronic system (evidenced by a machine generated receipt), one (1) business day after being placed in the hands of a commercial courier service for guaranteed next-day delivery or five (5) business days after mailing, proper postage prepaid, by USPS Registered or Certified Mail (or the equivalent), Return Receipt Requested. All such notices shall be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified in writing.

28. **Waiver.** The waiver by either party of a breach or provision of this Agreement by the other shall not operate to be construed as a waiver of any subsequent breach by such other party.

29. **Entire Agreement.** This instrument contains the entire agreement between the parties. All prior discussions, understandings, negotiations and agreements are merged herein. Notwithstanding the foregoing, nothing in this Agreement will disclaim or require Franchisee to waive reliance on any representation that Franchisor has made in the franchise disclosure document (including its exhibits and attachments) that Franchisor delivered to Franchisee or Franchisee's representative. This Agreement may not be changed orally or rescinded, but may only be changed or rescinded by an agreement to such effect in writing signed by the parties against whom enforcement of same is sought. This Agreement is binding upon Franchisor and Franchisee and Franchisor's and Franchisee's respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest.

30. **Acknowledgement.** Franchisee agrees and states that the decision to enter into this business risk is in no manner predicated upon any oral representations, assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees, contractors or agents as to the likelihood of success of the franchise. Except with respect to historic sales information and gasoline consumption at the leased Premises, Franchisee acknowledges that it has not received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings. Franchisee has had the opportunity to seek and receive professional assistance, to have professionals review the documents and to consult with an attorney regarding the risks associated with the purchase of the franchise. Franchisee acknowledges and understands that its owners and their spouses will be required to sign the Guaranty attached to this Agreement.

Neither the execution, delivery or performance by Franchisee or any of its owners of this Agreement, nor the consummation by Franchisee and its owners of the purchase of Business pursuant to the terms of this Agreement, will (i) conflict with or violate any provision of any

other agreement to which Franchisee or any owner is a party including, without limitation, any other franchise or license agreement to operate a business, whether or not competitive with the Business granted under this Agreement; or (ii) conflict with, result in a breach of, or constitute (with or without due notice or lapse of time or both) a default under any other agreement to which Franchisee or any owner is a party concerning the operation of a business. Neither Franchisee or any affiliate of Franchisee nor any owner is a party to an agreement to operate a business which requires the Franchisee, affiliate and/or owner to operate another business using its best efforts at all times and to operate the business on a fulltime basis.

31. **Innovations**. All ideas, concepts, techniques or materials relating to a Raceway Business (collectively, “Innovations”), whether or not protectable intellectual property and whether created by or for Franchisee or its owners, employees or contractors, must be promptly disclosed to Franchisor and will be deemed to be Franchisor’s sole and exclusive property, part of RaceWay motor fuel station and convenience store, and works made-for-hire for Franchisor. To the extent any Innovation does not qualify as a work made-for-hire for Franchisor, by this provision, Franchisee assigns ownership of that Innovation, and all related rights to that Innovation, to Franchisor and agrees to sign (and to cause its owners, employees and contractors to sign) whatever assignment or other documents Franchisor requests to evidence Franchisor’s ownership or to help Franchisor obtain intellectual property rights in the Innovation. Franchisor and its affiliates have no obligation to make any payments to Franchisee or any other person with respect to any Innovations. Franchisee may not use any Innovation in operating the Raceway Business or otherwise without Franchisor’s prior approval.

32. **Privacy/Data Security**. Franchisee acknowledges and agrees that Franchisor will have full and complete access to the information and data entered into and produced by the Franchisee’s computer system, including, without limitation, email communications and related data, and we can use the same in any way Franchisor deems appropriate. Franchisee must purchase any upgrades, enhancements and/or replacements to the computer system and/or related hardware and software as Franchisor may from time to time require. It is Franchisee’s responsibility to make sure that Franchisee is in compliance with all laws that are applicable to the computer system or other technology used in the operation of the Business, including all data protection, privacy and security laws. Franchisor owns all customer information associated with the Business and Franchisor may use the customer information as it deems appropriate (subject to applicable law), including disclosing it to vendors or sharing it with our affiliates for cross-marketing or other purposes. Franchisee may only use customer information for the purpose of operating the Business to the extent permitted under this Agreement, including the Operations Manual during the term hereof and subject to such restrictions as we may from time to time impose and in compliance with all data privacy, security and other applicable laws. Without limiting the foregoing, Franchisee agrees to comply with applicable law in connection with Franchisor’s collection, storage, disclosures and Franchisor’s use and our use of such customer information, including, if required under applicable law, obtaining consents from customers to our and our affiliates’ use of the customer information. Franchisor must comply with all laws and regulations relating to data protection, privacy and security, including data breach response requirements (“Privacy Laws”), as well as data privacy and security policies, procedures and other requirements we may periodically establish. Franchisee must notify us immediately of any suspected data breach at or in connection with the Business. Franchisee must fully cooperate

with Franchisor and our counsel in determining the most effective way to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. Franchisee is responsible for any financial losses it incurs or remedial actions that it must take as a result of breach of security or unauthorized access to customer information in Franchisor's control or possession.

33. **Independent Contractors.** Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. Franchisee acknowledges and agrees that Franchisor and Franchisee are and shall be independent contractors. Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. Franchisor has no relationship with Franchisee's employees and Franchisee has no relationship with Franchisor's employees. Franchisee may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in Franchisor's name or on Franchisor's behalf or using the Marks, and Franchisee may not represent that the relationship of the parties hereto is anything other than that of independent contractors. Franchisor shall not be construed to be have any liability, including joint liability, for any of Franchisee's acts or omissions under any circumstances. Franchisor will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of Franchisee's Business.

34. **General.** Franchisee agrees that complete uniformity under many varying geographic and other conditions, and over extended spans of time, is not practical and may be detrimental to franchisees operating other Raceway businesses, and that as a result: (i) Franchisor may vary the standards, specifications, procedures, and methods utilized by any franchisee as Franchisor deem necessary; (ii) Franchisor may grant franchises operating Businesses under terms that may differ materially from the terms of this Agreement; and (iii) Franchisor's obligations and rights with respect to Franchisor's various franchisees may differ materially from Franchisor obligations and rights with respect to Franchisee, without in any way affecting Franchisor's rights with respect to Franchisee. Franchisee will have no right to require that Franchisor disclose any variation to Franchisee or that we grant you the same or a similar variation. The paragraph headings are for information only and this Agreement shall not be construed by reference thereto.

35. **No Waiver or Disclaimer of Reliance in Certain States.** The following provision applies only to franchisees and Franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the Franchise.

**IN WITNESS WHEREOF**, the parties have caused this Franchise Agreement to be duly executed on the date and year first above written.

**RW VENTURE HOLDINGS, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## **GUARANTY**

For value received, in consideration for and as an inducement for Franchisor to enter into the Franchise Agreement with Franchisee to which this Guaranty is attached, the undersigned, by personally guaranty to Franchisor, its successors and assigns the full performance and observance of all of the covenants, conditions and agreements, therein provided (including the non-competition, transfer and dispute resolution requirements) to be performed and observed by Franchisee and the undersigned further agrees to be bound by all such covenants, conditions and agreements contained in the Franchise Agreement. The undersigned further covenants and agrees that this personal guaranty shall remain and continue in full force and effect as to any renewal, modification or extension of the Franchise Agreement. The undersigned agree(s) that the undersigned's liability under this Guaranty shall be direct and immediate, joint and several, and shall not be contingent upon pursuit by Franchisor of any other remedies against Franchisee or any other person. All owners of Franchisee and their spouses are required to sign this Guaranty.

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Execution Date: \_\_\_\_\_

**EXHIBIT A**

**PREMISES**

**EXHIBIT B**

**ELECTRONIC FUNDS TRANSFER FORM**

(See Attached)

**ELECTRONIC FUNDS TRANSFER  
AUTHORIZATION AGREEMENT**

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<b>STORE #</b>	<b>LOCATION</b>		
<b>FRANCHISEE</b>	<b>TELEPHONE NUMBER</b>		
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>

**Franchisee hereby authorizes RW Venture Holdings, Inc., for its own account, to initiate electronic funds transfer debit entries to Franchisee's deposit account described below, and does further authorize the financial institution described below, to debit such entries to the Franchisee's account, for only those amounts reported by said Franchisee to RW Venture Holdings, Inc. and its affiliates.**

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<b>Bank Name</b>	<b>Name of Bank Account</b>
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<b>Address</b>	<b>Bank Account Number</b>
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<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Transit ABA#</b>
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**AUTHORIZED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

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<b>Signature</b>	<b>Title</b>
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**ATTACH A VOIDED CHECK OR LETTER SIGNED BY BANK REP FOR ABOVE  
ACCOUNT.**

**EXHIBIT C**

**LEASE AGREEMENT (AND GASOLINE SERVICES AGREEMENT)**

## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (this “Lease”) is dated as of \_\_\_\_\_, 20\_\_\_\_ (the “Effective Date”), by and between **RACETRAC, INC.**, a Georgia corporation (hereinafter “Landlord”) and \_\_\_\_\_, a \_\_\_\_\_ corporation (hereinafter “Tenant” or “Franchisee”).

### **WITNESSETH:**

**WHEREAS**, contemporaneous with the execution of this Lease, Tenant is executing a Franchise Agreement with RW Venture Holdings, Inc., a Georgia corporation (“RWV”), for the right to operate a motor fuel station and convenience store selling gasoline and other fuel products under the RaceWay brand (the “Franchise Agreement”);

**WHEREAS**, Landlord is the owner or tenant of certain Premises more particularly described below wherea Raceway-branded motor fuel station and convenience store is located;

**WHEREAS**, Tenant wishes to lease the Premises from Landlord so that such fuel station and convenience store will be designated as the Premises under the Franchise Agreement, and Landlord is willing to do so on the terms and conditions contained herein;

**WHEREAS**, Tenant has agreed to sell RaceTrac Gasoline (as defined below) from the Premises as the RaceWay franchisee, and to provide certain other services in connection therewith as more particularly provided herein;

**NOW, THEREFORE**, in consideration of the Premises and the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

### **ARTICLE 1** **LEASE TERMS**

The terms defined below shall have for the purposes of this Lease the meanings set forth in this Article 1.

Other terms are defined throughout this Lease and have the meanings set out therein.

The basic Lease terms are as follows:

1.01 “**Premises**” shall mean certain real property located in \_\_\_\_\_, County of \_\_\_\_\_, State of \_\_\_\_\_, having a street address of \_\_\_\_\_, known as RaceWay Store #\_\_\_\_\_, together with all buildings, improvements, fixtures and equipment owned by Landlord located on the property (except as expressly excluded in this Lease). The Premises shall NOT INCLUDE the following items, if any: \_\_\_\_\_.

1.02 “**Lease Term**” means the period beginning on the Effective Date set forth above and ending on the date that is five (5) years thereafter. Notwithstanding the previous sentence, the Lease Term will commence on the earlier of (i) the date Tenant first occupies the Premises, or (ii) the first day after the

issuance of a certificate of occupancy for the Premises by the local governing authority. **THERE SHALL BE NO EXTENSION OR RENEWAL OF THE LEASE TERM, EXCEPT AS AGREED IN**

**WRITING BY THE PARTIES, AND IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 2.10 BELOW.**

1.03   **“RaceTrac Gasoline”** means gasoline and related motor fuel products provided or owned by Landlord, its director indirect parents and subsidiaries and/or any of its or their respective affiliates, as set forth in this Lease.

1.04   **“Gasoline Services Agreement”** or **“GSA”** means the terms and provisions set forth on **Rider No. 1** which is attached hereto and made a part hereof by reference.

1.05   **“Gasoline Dispensing Equipment”** means the underground storage tanks, pumps, and related dispensers, electrical, piping, containment, remediation and monitoring systems, gasoline price signs and other signage owned by Landlord, now or hereafter located on the Premises, as Landlord deems appropriate for the Premises.

1.06   **“PAP Equipment”** means all such pay at pump equipment, together with all related communications equipment, software, computer equipment, signage and related items as Landlord in its sole discretion deems appropriate or necessary for the Premises. See also Section 2.03 below.

1.07   **“Base Rent”** shall mean the initial ANNUAL sum of \$\_\_\_\_\_, which shall be paid in equal monthly installments in advance in the initial amount of \$\_\_\_\_\_ per month, payable on the first (1<sup>st</sup>) day of the Lease Term, and on or before the first (1<sup>st</sup>) day of each calendar month during the Lease Term without offset or deduction, subject to escalation pursuant to Section 3.01 below. Base Rent for any period under this Lease which does not constitute a full month will be prorated. See also Section 3.01 below.

1.08   **“Rent”** as used herein shall mean the Base Rent, Percentage Rent and any other fees, charges, costs or rents which Tenant is required to pay under this Lease or the GSA. Tenant will pay to Landlord an amount equal to all taxes (including sales tax) directly or indirectly imposed by any governmental entity (the **“Rental Tax”**) on the Rent payable under this Lease, simultaneously with the applicable Rent payment. Without limiting Landlord’s remedies under Section 8.02 below but notwithstanding any other provision to the contrary contained herein, in no event shall Rent for any particular calendar month exceed the sum of Forty Thousand and No/100ths Dollars (\$40,000.00). Upon request, Tenant shall provide Landlord with information necessary for Landlord to make direct withdrawals from Tenant’s bank account for any Rent or other sums due hereunder, and Landlord shall have the right to make such direct withdrawals for same. Tenant shall sign an electronic transfer of funds authorization, the current form of which is attached as **Exhibit A**, and such other documents as Landlord designates from time to time, to authorize and direct Tenant’s bank or financial institution to transfer either electronically or through some other method of payment designated by Landlord to transfer electronically directly to Landlord’s account (or Landlord’s affiliates) all Rent, Rental Tax and other sums owed under this Lease. Tenant’s authorizations must permit Landlord and its affiliates to designate the amount to be transferred from Tenant’s account. Tenant must maintain a balance in its account sufficient to allow Landlord and its affiliates to collect the amounts owed when due. Tenant is responsible for any penalties, fines, fees or other similar expenses associated with the transfer of funds described in this Article and Article 3.

1.09   **“Percentage Rent”** shall mean a MONTHLY amount equal to \_\_\_\_\_ (\_\_\_\_%) of the amount, if any, by which all Gross Sales (defined in Section 3.01(c) below) for any calendar month during the Lease Term (or portion thereof) exceeds the Gross Sales “Breakpoint” below. See also Section 3.01.

<b>Years</b>	<b>Breakpoint</b>
_____ to _____	\$_____ /month

1.10    “**Security Deposit**” means the sum of \$ \_\_\_\_\_ (and any other deposits required to be made hereunder) which will be security for Tenant’s full performance and observance of Tenant’s covenants and obligations under this Lease and Tenant’s obligations under the GSA. The Security Deposit includes the sum of Five Thousand and No/100ths Dollars (\$5,000.00) (or such higher amount selected by Landlord, if applicable) (the “**Change in Control Fee**”) which Change in Control Fee shall be nonrefundable to Tenant for any reason. At Landlord’s election in Landlord’s sole discretion, some (or all) of the Security Deposit may be in the form of a surety bond issued for the benefit of Landlord by a surety acceptable to Landlord on terms and conditions acceptable to Landlord. See also Section 3.05 below.

1.11    “**Permitted Use**” means use of the Premises as the location of the Business (as defined in the Franchise Agreement) to be operated under the Franchise Agreement, meaning a motor fuel station and convenience store selling the Required Inventory (as hereinafter defined) and the RaceTrac Gasoline under the RACEWAY brand AND FOR NO OTHER PURPOSE WHATSOEVER WITHOUT LANDLORD’S PRIOR WRITTEN CONSENT, which consent may be withheld in Landlord’s sole discretion. See also Section 2.02 below.

1.12    “**Required Hours**” shall mean twenty-four (24) hours a day three hundred sixty-five (365) days a year or such other hours that allow for commercially reasonable beneficial use of the Premises, of which hours Landlord has notified Tenant in writing. See also Sections 2.02 and 2.04 below.

1.13    “**Required Inventory**” shall mean products customarily sold in convenience stores including, without limitation, snacks, tobacco products, beverages (including water, coffee, soft drinks, juices and alcoholic beverages (for off premises consumption)), dairy products and bakery items. Tenant may not offer or sell any unauthorized products or services, including but not limited to, cannabis products, consumable/ingestible CBD products and/or restrictive tobacco products and/or any products that are subject to a Denial Order issued by the Food & Drug Administration, or subject to any other state or federal order or directive prohibiting the sale of such products. The Required Inventory shall be stocked, displayed and sold in quantities and varieties consistent with that of similar convenience stores located in the general vicinity of the Premises, as determined by Landlord in its sole discretion. The Required Inventory shall have a minimum wholesale value and shall be of a quality and quantity as provided in this Lease, or as otherwise commercially reasonable and necessary to operate a convenience store. At least fifty percent (50%) of the Required Inventory (based on purchased cost) shall be purchased through CoreMark, and at least seventy percent (70%) of such Required Inventory purchased through CoreMark (based on purchased cost) shall be cigarettes. All other Required Inventory must be purchased from other approved suppliers or distributors designated by Landlord from time to time.

**TENANT HEREBY (I) REPRESENTS AND WARRANTS THAT TENANT HAS NOT PAID ANY PERSON, COMPANY OR ENTITY A DOLLAR VALUE IN EXCESS OF THE CURRENT WHOLESALE MARKET VALUE FOR ANY MERCHANDISE, (II) ACKNOWLEDGES THAT TENANT BEARS ALL RISKS ASSOCIATED WITH ANY MERCHANDISE REGARDLESS OF WHEN SUCH MERCHANDISE IS PURCHASED BY TENANT, AND (III) ACKNOWLEDGES THAT DURING THE TERM OF THIS LEASE OR AT ANY TIME THEREAFTER, THE LANDLORD PARTIES ARE UNDER NO OBLIGATION TO PURCHASE ANY MERCHANDISE FOR, ON BEHALF OF OR FROM TENANT.**

1.14    “**Landlord Parties**” shall mean Landlord and its direct or indirect parents and subsidiaries and/or any of its or their respective affiliates, and any of the officers, directors, shareholders, managers, members, employees and agents of any of the foregoing, and any of their successors and assigns.

1.15    “**Tenant Parties**” shall mean Tenant and its affiliates and subsidiaries, and its and their officers, directors, shareholders, managers, members, owners, employees and agents, and any of their successors and assigns.

1.16    “**Default**” shall have the meaning set forth in Article 8 below.

Additional Lease terms are as follows:

1.17    “**Approved Purchase List**” means Schedule A which is attached hereto and made a part hereof by reference, as the same may be amended or modified as provided herein. For additional items to be included on the Approved Purchase List after the date of this Lease, Tenant must submit to Landlord in writing a description of said item, including its intended use, and a copy of any and all documentation substantiating the acquisition cost or resale value of such item, and thereafter, Landlord shall determine in its sole opinion: (1) which items shall be placed on the Approved Purchase List; (2) a date of acquisition for each such item; and (3) an Approved Value (defined below) in dollars for each such item. Following such approval by Landlord, then the parties shall execute a written amendment to the Approved Purchase List signed which amendment shall then be attached hereto and made a part hereof. Such amendment of the Approved Purchase List is effective only if signed on behalf of Landlord by the Vice President of Raceway Operations or the President, Chief Legal Officer or Chief Brand Officer of Landlord. Either Landlord or Tenant may reject an item from inclusion on the Approved Purchase List or an amendment thereto at the absolute discretion of either party, and neither party shall have any expectation for such inclusion, the Approved Value of any item, or establishment of date of Acquisition for any item.

1.18    “**Approved Value**” for each item on the Approved Purchase List shall mean the dollar value established for each such item by Landlord in its sole discretion and shall not exceed the lesser of Tenant’s acquisition cost or the resale value of such item at the time the item is submitted to Landlord for consideration of approval.

1.19    “**Eligible Equipment**” shall be defined as equipment that in the sole opinion of Landlord is appropriate and necessary to the operation of a convenience store operated on the Premises, and DOES NOT INCLUDE the following: (1) any items owned by Tenant for more than thirty-six (36) months; or (2) any items with a value of less than one hundred dollars (\$100.00) based on the lesser of Tenant’s acquisition cost or current resale value.

1.20    “**Equipment Purchase Price**” for each item listed on the Approved Purchase List shall be defined as the Approved Value, less a depreciation amount on a straight-line basis each month over thirty-six (36) months commencing from the date of acquisition by Tenant of each particular item on the Approved Purchase List and ending within such thirty-six (36) month period on the date of purchase by Landlord pursuant hereto or termination of the Lease, whichever shall be later. Any item held beyond such thirty-six (36) month period shall be fully depreciated and have an Equipment Purchase Price of zero dollars (\$0.00).

1.21    “**Special Circumstance**” shall mean any instance where either (1) Landlord sells the Premises to a third party not affiliated with Landlord, provided that such sale is not: (a) part of a sale-leaseback transaction; or (b) a conveyance of the Premises (or any portion thereof) to any entity or governmental authority or agency by virtue of a condemnation proceeding or taking thereof, or (2) Landlord permanently operates the Premises with Landlord employees immediately upon termination of the Lease. “**Permanently operate**” shall mean Landlord has continuously operated the Premises with its employees for at least one hundred eighty (180) days commencing within thirty (30) days after termination of this Lease.

1.22 “**Eligible Merchandise**” shall include only merchandise that is (i) carried for sale and marked with the same Universal Product Code (“**UPC**”) at the nearest store operated by Landlord as an employee-operated store, (ii) not distressed or damaged (which shall mean any merchandise in the sole opinion of Landlord or Landlord’s appraiser, that is not in first class condition, has flaws or abrasions or is unattractive to customers for immediate use or consumption), (iii) not out-of-date (meaning any merchandise beyond the sell-by date printed on the label or according to the supplier of the merchandise is no longer fit or usable for sale to customers as first class merchandise in a convenience store), (iv) not overstocked (meaning the level of merchandise on hand, in the sole opinion of Landlord, exceeds the quantity of same-**UPC** merchandise at the nearest store operated by Landlord as an employee operated store), and (v) not older than ninety (90) days old as determined from its date of manufacture.

1.23 “**Merchandise Purchase Price**” for Eligible Merchandise shall be defined as the lower of acquisition cost for each particular item or wholesale value attributed to each particular item of Eligible Merchandise less a twenty-five percent (25%) reduction fee to cover Landlord’s restocking of the items. If Landlord and Tenant cannot agree on such wholesale value, then such wholesale value shall be determined by appraisal performed by an independent third-party appraiser selected by Landlord and paid for by Tenant.

## **ARTICLE 2** **USE OF PREMISES AND EXPIRATION OF LEASE TERM**

### **2.01 DELIVERY TO TENANT AND ACCEPTANCE OF PREMISES.**

(a) To the extent that the improvements upon the Premises are being constructed as of the Effective Date, Landlord and Tenant acknowledge and agree that no representations or warranties have been made by Landlord regarding the completion date of the improvements, and to the extent that an estimated completion date has been provided or will be provided in the future, Tenant should not rely on that date for any purpose whatsoever, as Tenant acknowledges completion of the improvements to be constructed at the Premises may be delayed for any reason, or no reason at all. Upon Landlord’s completion of the improvements, Tenant shall be obligated, and shall be deemed, to accept possession thereof.

(b) By taking possession of the Premises, Tenant acknowledges and represents that Tenant has inspected the Premises and found it to be in a safe, satisfactory and completed condition. The Premises are rented “AS-IS” with all faults and Landlord will not be deemed to have made, and hereby disclaims, all representations and warranties, express or implied, with respect to the condition of the Premises or its suitability for Tenant’s intended use.

### **2.02 PERMITTED USE, REQUIRED HOURS AND SECURITY.**

(a) Tenant shall use the Premises only for the Permitted Use during the Required Hours and for no other purposes whatsoever. Without limiting the foregoing, without Landlord’s prior written consent, which may be withheld in Landlord’s sole discretion, Tenant shall not use or permit the Premises to be occupied by or used for or by: (i) the operation of a food truck or other mobile service provider or retail seller, (ii) seasonal sales of merchandise outside the building on the Premises such as fireworks or Christmas trees, (iii) a kiosk or service counter or desk selling goods or services (e.g. food sales, a restaurant, snack machine or sale of vacation packages or tickets), (iv) a restaurant, garage, car wash, repair shop, video store, video gaming location, check cashing, moving vehicle rental or any other business; or (v) the provision or installation (whether by Tenant or a third party) of charging services or stations for electric vehicles of any type including, without limitation, commercial, passenger and personal vehicles (with Tenant specifically agreeing and acknowledging that Landlord retains and reserves the sole and exclusive right to provide and/or install (or allow others to provide and/or install) such items at the

Premises).

(b) Tenant may request Landlord's consent to change the Required Hours by notifying Landlord in writing of Tenant's proposed new hours, which must include a detailed explanation of the reason for such change. Landlord will not unreasonably withhold consent to such change if the Required Hours are having demonstrated material and negative effect on Tenant's sales and/or business operations, which effect is likely to be remedied by the proposed change in Required Hours. Tenant shall not change the Required Hours unless and until Landlord approves such change in writing. Landlord reserves the right to further amend or reinstate the original Required Hours if such change is initially approved but thereafter fails to show a commercially reasonable benefit to or improvement in Tenant's sales and/or business operations.

(c) Tenant must use the brand name indicated by Landlord to designate the gasoline. With the prior approval of Landlord, Tenant may use the service mark "Raceway" to designate the convenience store located on the Premises.

(d) Tenant acknowledges and agrees that Permitted Use of the Premises during Required Hours is commercially reasonable and necessary in order to achieve quality, safety, and beneficial use of the Premises. **ANY USE OF THE PREMISES OTHER THAN FOR THE PERMITTED USE, AND/OR ANY FAILURE BY TENANT TO OPERATE CONTINUOUSLY AND CONSISTENTLY FOR THE REQUIRED HOURS SHALL CONSTITUTE A DEFAULT OF TENANT UNDER THIS LEASE.**

(e) Tenant shall comply with (and, if applicable, install such necessary equipment and fixtures related to) any security requirements contained in the Operation Manual applicable to the Premises, in Landlord's sole discretion.

**2.03 SPECIAL EQUIPMENT.** Landlord reserves the right and Tenant grants Landlord a right and license to install, maintain, replace, repair and operate on the Premises the PAP Equipment and the following additional equipment:

(a) all automatic teller machines, cash dispensing machines, bitcoin and/or cryptocurrency related machines, bill paying machines, and check cashing machines, together with all related communications equipment, kiosks, signage or other type of enclosure to hold such equipment as Landlord in its sole discretion deems appropriate for the Premises (collectively, "**Cash Dispensing Equipment**"), which Cash Dispensing Equipment may be owned by Landlord or owned and/or supplied by third parties selected by Landlord. Tenant shall not install or operate Cash Dispensing Equipment (including, without limitation, bitcoin and/or cryptocurrency related machines) on the Premises without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion, and as part of such consent process (if applicable), Tenant shall obtain Landlord's consent to the terms of any lease or agreement for any such Cash Dispensing Equipment, which consent may be granted or withheld in Landlord's sole discretion.

(b) all counter space, gondolas, display fixtures, air and vacuum equipment, and miscellaneous equipment, together with all signage and related items as Landlord in its sole discretion deems appropriate for the Premises (collectively, "**Miscellaneous Equipment**").

(c) The Premises may or may not contain PAP Equipment, Cash Dispensing Equipment, and/or Miscellaneous Equipment (collectively, the "**Special Equipment**"). Tenant acknowledges that Landlord has no obligation to provide, and makes no representations that it will provide, any or all of, such Special Equipment. Landlord may, for any reason or no reason, in its sole discretion and whether or not Tenant is in default hereunder, and without prior notice to Tenant, remove or disable the Special

Equipment. The provisions of this Lease shall apply, in context, to the extent such Special Equipment has been provided to the Premises. This Lease does not convey to Tenant any ownership or leasehold interest of any nature whatsoever in the Special Equipment which may be on the Premises, all of which shall remain the sole and exclusive property of Landlord.

(d) Tenant shall utilize any Special Equipment at all times in accordance with this Lease, unless such Special Equipment is inoperative, in need of substantial maintenance, disabled due to reasons beyond the control or negligence of Tenant, or has been disabled by Landlord. Tenant shall display any and all signage related to any Special Equipment as directed by Landlord or otherwise as required by participating card-based transaction associations. Tenant shall immediately notify Landlord in the event that any of the Special Equipment is in need of repair or is not operating. Landlord shall not be liable to Tenant for any adverse impact that any Special Equipment or such activities may have on the business operated by Tenant on the Premises.

(e) Landlord shall furnish Tenant with all keys, paper, printer ribbons and other items (collectively, the "**Supplies**") necessary to operate the Special Equipment. Landlord reserves the right to charge Tenant for Supplies it provides to Tenant.

(f) Landlord in its discretion may charge all users of the Cash Dispensing Equipment a fee per transaction (collectively, the "**Surcharges**") in such amount as may be determined from time to time by Landlord, which Surcharges shall at all times belong to and be the property of Landlord. Except as may be provided expressly in this Lease or the GSA, neither Tenant nor Landlord shall pay the other any compensation for the location of, access to or use of, the Cash Dispensing Equipment.

(g) Tenant acknowledges that Landlord retains title to and ownership of all Special Equipment. Upon request, Tenant shall return to Landlord the keys to the Special Equipment and return all unused Supplies. Landlord reserves the right to remove all or a portion of the Special Equipment from the Premises at any time, and for any reason or no reason. If Tenant fails or refuses to return the keys, Special Equipment or unused Supplies to Landlord upon its request, Tenant shall pay Landlord, and Landlord may recoup from the Security Deposit, the full replacement cost, allocable overhead, labor cost and all other expenses incurred by Landlord resulting therefrom.

2.04 **CONTINUOUS OPERATION.** Tenant shall continuously occupy and operate the Premises for the Permitted Use during the Lease Term during the Required Hours, and it shall be deemed a Default of Tenant hereunder to cease operation or occupancy of the Premises for more than twenty-four (24) consecutive hours, unless such closure is due to remodeling as approved in accordance with this Lease, any closure necessitated by any condemnation or casualty event (including any reasonable period of time required for repair or restoration related thereto), or any other closures previously approved in writing by Landlord.

2.05 **VANDALISM, DESTRUCTION, THEFT.** Tenant will use Tenant's best efforts to prevent any vandalism, destruction or theft at the Premises, the Gasoline Services Equipment and/or the Special Equipment. Tenant will immediately notify Landlord in the event of any vandalism, destruction or theft and, unless Landlord has an obligation to repair or replace damaged or stolen items as provided in this Lease, Tenant will promptly repair or replace such damaged or stolen items at Tenant's sole cost and expense.

2.06 **EXCLUSIVE USE.** Tenant hereby agrees that during the Lease Term and for a period of one (1) year thereafter, Tenant will not (nor will Tenant permit any entity or person which is controlled by, controlling or under common control with Tenant, nor any entity or person which provides any financial capital or support to Tenant for the operation of the Premises to) do any of the following:

(a) install gasoline storage tanks, gasoline pumps, gasoline dispensers or similar dispensing equipment at any location that is within three (3) miles of any legal boundary line of the real property upon which the Premises lies; and/or

(b) have any ownership or operational interest in any convenience store or retail motor fuel station at any location that is within three (3) miles of any legal boundary line of the real property upon which the Premises lies.

This restriction will survive the termination of this Lease and at any time during or following the Lease Term, Landlord is unauthorized to record a reference to such restriction in the public records, and Tenant will execute a recordable agreement setting forth such restriction upon Landlord's request. Tenant's violation of the foregoing restriction shall be an immediate Default hereunder, and Landlord shall have the right to pursue any and all rights and remedies provided herein, together with any rights or remedies otherwise available at law or in equity, including collection for consequential and punitive damages against Tenant.

**2.07 SURRENDER OF PREMISES UPON EXPIRATION**. At the expiration or sooner termination of the Lease Term, Tenant will surrender the Premises in good repair, order and condition, ordinary wear and tear excepted, in compliance with all laws, rules and regulations, and otherwise in compliance with the terms of this Lease. Provided Tenant is not otherwise in default hereunder, Tenant shall remove any and all of Tenant's merchandise and moveable personal property from the Premises on or before such date. Additionally, **BUT ONLY WITH LANDLORD'S PRIOR CONSENT**, Tenant may, at the expiration of the Lease Term remove any alterations or additions made by Tenant to the Premises if the removal can, in Landlord's opinion, be accomplished without damaging the Premises or improvements thereon and without otherwise materially impairing the use, value and benefit of the Premises. **TENANT MAY NOT, HOWEVER, WITHOUT LANDLORD'S PRIOR, WRITTEN CONSENT, REMOVE ANY ALTERATIONS, ADDITIONS OR IMPROVEMENTS TO THE STRUCTURE, FIXTURES OR SYSTEMS OF THE PREMISES. EXAMPLES OF SUCH NON-REMOVABLE ITEMS INCLUDE, BUT ARE NOT LIMITED TO, SINKS, COUNTERS, ISLANDS, CASHWRAPS, VENTILATION HOODS, HVAC EQUIPMENT, UTILITY LINES, LIGHTING OR CEILING TILES.** Any items removed by Tenant as permitted herein must be de-identified to remove any logo, trademark, name or similar. Any damage caused by installation or removal of any such items shall be repaired by Tenant at Tenant's expense immediately upon completion of such installation or removal of such items, and if Tenant fails to correct any damage, Landlord may cause such repairs to be made and seek reimbursement from Tenant, including Landlord's right to set off such amounts expended against the Security Deposit. Landlord shall have no obligation to Tenant to account for the value of the removed items. Except items which may be removed as provided herein or as permitted by Landlord, any and all improvements, fixtures or equipment which are installed or erected by Tenant are Landlord's property and will remain on the Premises or a part of the real estate and will not be removed by Tenant at the termination of this Lease. If Tenant does not remove equipment, signs and other tangible property from the Premises at or immediately prior to the termination of this Lease, such equipment, signs and other tangible property shall be deemed abandoned and become the property of Landlord, and Landlord may, at its sole discretion and at Tenant's expense, remove any of such equipment, signs and other tangible property.

**2.08 HOLDOVER BEYOND LEASE TERM**. Tenant shall immediately vacate the Premises in accordance with the terms of this Lease on or before the last day of the Lease Term or upon any earlier termination of the Lease Term. **Any holdover beyond such date will be considered a tenancy-at-sufferance, and in addition to any and all other remedies available, Landlord shall have the right to collect from Tenant for each day of such holdover an amount equal to 200% of the daily Base Rent in effect immediately prior thereto.** Landlord's acceptance of any rent for any period beyond the expiration or earlier termination date of this Lease does not renew this Lease or constitute a consent to

Tenant's continued occupancy beyond such date. This provision does not waive Landlord's rights of re-entry or any other right under this Lease resulting from Tenant's holding over or continued occupancy after the expiration or earlier termination of the Lease Term. If Tenant remains in possession of the Premises or any part thereof after the expiration or earlier termination of the Lease Term, Tenant agrees to indemnify, defend and hold Landlord harmless from and against any claims, damages, costs (including reasonable attorneys' fees and court costs) or other liabilities incurred by Landlord (and/or any landlord or lessor under a Prime Lease, defined below) as a result of such holdover, including any fees or penalties assessed pursuant to the Prime Lease, and including claims made by any party who claims a possessory interest in the Premises effective upon the expiration or termination of this Lease.

## 2.09 **EARLY TERMINATION.**

(a) **By Tenant:** Tenant shall have the right, at any time, to terminate this Lease upon written notice to Landlord, provided that:

- (i) The termination is effective (the "**Tenant Termination Effective Date**") not earlier than the first day of the month next following the date that is one hundred eighty (180) days from the date such notice is delivered,
- (ii) Tenant may not exercise this right if there is an uncured Default of Tenant under this Lease at the time of election or on the Tenant Termination Effective Date,
- (iii) Tenant is and will remain liable for all of Tenant's obligations hereunder through the Tenant Termination Effective Date (and thereafter with respect to those obligations that expressly survive the termination of this Lease), which liability will survive the termination,
- (iv) Upon any such termination, the entire Security Deposit shall be deemed earned, and shall be retained, by Landlord.
- (iv) The termination will not limit the terms and conditions of any holdover or continued occupancy by the Tenant beyond the Tenant Termination Effective Date, and will not relieve Tenant of the obligations to comply fully with all terms and conditions of this Lease up through and including the Tenant Termination Effective Date, including the payment of Rent.

(b) **By Landlord:** Landlord shall have the right, at any time, for any reason or no reason, to terminate this Lease upon written notice to Tenant, provided that:

- (i) The termination is effective (the "**Landlord Termination Effective Date**") not earlier than one hundred eighty (180) days from the date such notice is delivered,
- (ii) If Landlord exercises such right of termination, Landlord shall be responsible for returning the Security Deposit to Tenant to the extent required in Section 3.05, but shall not otherwise be liable to Tenant for any compensation or damages under this Lease (including the GSA), including, but not limited to,
  - (1) Reimbursement for investments in fixtures, equipment, signs or any other tangible or intangible assets of any kind (except as set forth in Article 5),
  - (2) For merchandise or loss thereon (except as set forth in Article 5), and

(3) For any other expenditures or expenses, loss of profit, loss of good will or any special, punitive, indirect, incidental or consequential damages of any kind, or

(iii) The Franchise Agreement terminates or expires without being renewed.

(c) In the event Tenant or any Tenant Parties leases any other premises from Landlord or any Landlord Parties, and any lease for any such other premises is terminated for any reason, then, notwithstanding any contrary provision contained herein, Landlord may terminate this Lease upon written notice to Tenant.

## 2.10 **TENANT'S REQUEST TO EXTEND LEASE TERM.**

(a) Unless a termination notice has been given in accordance with Section 2.09 above, NOT LESS THAN ONE HUNDRED EIGHTY (180) DAYS PRIOR TO THE EXPIRATION OF THE LEASE TERM, TENANT MUST NOTIFY LANDLORD IN WRITING THAT EITHER:

- (i) Tenant acknowledges that this Lease will expire at the end of the Lease Term, at whichtime Tenant will vacate the Premises, or
- (ii) Tenant requests to receive a proposal from Landlord for the terms of a renewal or extension ofthe Lease Term.

If Tenant does not provide such notice in the time required, Tenant will be deemed to have elected to allow theLease to expire and to vacate the Premises at the end of the Lease Term under option (i).

(b) If Tenant has elected option (ii), then prior to the expiration of the Lease Term, Landlord will notify Tenant either:

- (i) that Landlord does not intend to renew or extend the Lease Term, or
- (ii) of the proposed terms for renewal or extension of the Lease Term, WHICH TENANTMUST ACCEPT OR REJECT WITHIN TEN (10) DAYS AFTER RECEIPT, OTHERWISE IT WILL BE DEEMED THAT TENANT HAS REJECTED THE PROPOSED RENEWAL TERMS.

If Landlord has not provided notice of either (b)(i) or (b)(ii) to Tenant prior to the end of the Lease Term, Landlord will be deemed to have elected not to renew or extend the Lease Term as set forth in (b)(i). Landlord's delivery of proposed renewal or extension terms shall not obligate Landlord to grant such renewal or extension and shall be non-binding onLandlord unless and until Landlord has executed an amendment to this Lease or a new lease with Tenant for the Premises, and such proposed terms may be cancelled, retracted or voided by Landlord at any time for any reason. IF TENANT ACCEPTS LANDLORD'S PROPOSED TERMS FOR RENEWAL OR EXTENSION OF THE LEASE TERM, BUT THEREAFTER FAILS TO ENTER A BINDING, WRITTEN AGREEMENT FOR SUCH RENEWAL OR EXTENSION FOR ANY REASON OTHER THAN A FAILURE BY LANDLORD TO ENTER SAME, LANDLORD WILL HAVE THE RIGHT TO RETAIN THE SECURITY DEPOSIT, AND ADDITIONALLY TO PURSUE AN ACTION FOR ANY AND ALL DAMAGES, LOSSES OR CLAIMS INCURRED BY LANDLORD AS RESULT OF SUCH FAILURE (INCLUDING , WITHOUT LIMITATION, DAMAGES OR LOSSES INCURRED BY LANDLORD IN HOLDING THE PREMISES IN ANTICIPATION OF TENANT'S CONTINUED OCCUPANCY SUCH AS RACEWAY'S INABILITY TO MARKET THE PREMISES TO OTHER TENANTS).

(c) If Tenant accepts the renewal or extension terms proposed by Landlord, subject to the provisions of this Section, the parties will cooperate with each other in executing an amendment to this Lease setting forth such terms, or at Landlord's option, a new lease agreement for such terms. Notwithstanding any contrary provision herein, any renewal or extension of the Lease Term shall be in Landlord's sole discretion and shall be further subject to the renewal or extension of the GSA, Landlord's approval of Tenant's financial statements, and any other conditions of Landlord for Tenant's qualification as a Tenant.

(d) If Tenant accepts the renewal or extension terms proposed by Landlord, subject to the provisions of this Section, Tenant shall be deemed to have acknowledged and agreed that Landlord may, in Landlord's sole discretion, make capital improvements (including large scale improvements) to the Premises, which may include diesel enhancements, improvements or related facilities, electric vehicle charging stations and equipment, and other improvements which could result in a material change in Rent. In such event, Tenant shall support the use of such improvements and the programs related thereto.

### **ARTICLE 3** **RENT, TAXES, UTILITIES AND SECURITY DEPOSIT**

#### **3.01 RENT.**

(a) Beginning on the first day of the Lease Term, Tenant shall pay the Base Rent in accordance with Article 1 above.

(b) Tenant shall pay to Landlord the Percentage Rent as set forth in Article 1 above and this Section below. For any partial month, Percentage Rent and the breakpoint shall be prorated accordingly. Percentage Rent shall be paid monthly, and shall be due and payable with respect to a particular month on or before the first day of the month immediately following the month in which Landlord notifies Tenant of the amount due for such month (for example, Percentage Rent for January will be due no later than the April 1 if Landlord notifies Tenant in March of the amount due for January). Beginning on the first day of the second year of the Lease Term, and continuing on each successive anniversary thereof throughout the Lease Term, Base Rent shall increase by \_\_\_\_\_ percent (\_\_\_\_%) per year (not to exceed 10%). Tenant's obligation to pay Percentage Rent for every month during the Lease Term shall survive any termination of this Lease or expiration of the Lease Term and notwithstanding any such termination or expiration the payment of Percentage Rent for each such month shall remain an obligation of Tenant until paid in full.

(c) As used herein, the term "Gross Sales" means and includes all sales of all products, services and merchandise (other than RaceTrac Gasoline) sold in, on, or about or from the Premises, whether for cash, check, credit and debit card, barter, exchange, trade credit, or other credit transactions without deduction for any processing or administrative fees of any kind whatsoever and without reserve or deduction for inability or failure to collect, including, but not limited to, such sales or services. The following may be excluded from Gross Sales: (i) the amount of refunds, allowances or discounts made to customers (including coupon sales); (ii) returns to shippers, producers and manufacturers for credit; (iii) sales of trade fixtures or store operating equipment (to the extent such sales are permitted by us); (iv) interest, service or sales carrying charges or other charges, however denominated, paid by customers for extensions of credit on sales which were not included in the sales prices, as well as charges or expenses in connection with credit cards or bank cards whether by the customer or by you; (v) the amount of any excise or sales tax levied upon retail sales and payable over to the appropriate governmental authority including and consumption tax or value added tax whether included in the sales price or added to the sales price or cost; and (vi) lotto and lottery sales. If you receive any proceeds from any business interruption insurance applicable to the loss of sales at the Premises, there will be added to Gross Sales an amount equal to the imputed Gross Sales that the insurer used to calculate those proceeds.

(d) TENANT AGREES THAT ALL SALES FROM THE PREMISES, INCLUDING THOSE MADE WITH CASH, SHALL BE ENTERED INTO THE PRIMARY POINT OF SALE CASH REGISTER SYSTEM (EXCEPT SUCH SALES THAT ARE REGISTERED THROUGH A SEPARATE POINT OF SALE INTERFACE (E.G. VENDING MACHINES OR KIOSKS)) AND IT SHALL BE AN IMMEDIATE DEFAULT OF TENANT FOR ANY MISREPRESENTATION OF SALES OR REVENUES, SUCH AS ANY FAILURE TO ENTER SUCH SALES IN THE POINT OF SALE SYSTEM AND/OR TO INTENTIONALLY MODIFY OR ALTER THE SALE PRICE THEREOF EXCEPT PURSUANT TO AN ADVERTISED SALE, PROMOTION OR REASONABLE CREDIT OR REFUND.

(e) Landlord reserves the right to recalculate Percentage Rent for any month(s) to correct any errors or omissions or to utilize additional information and may deliver to Tenant a reconciliation statement specifying any additional amounts due from Tenant, or credits to Rent due to Tenant (as applicable) based upon such correction, in which event such additional amounts or credit shall be added to, or credited against, the next payment(s) of Percentage Rent due from Tenant (as applicable). The provisions of this paragraph shall survive any termination of this Lease or expiration of the Lease Term.

**3.02 PAST DUE RENT.** Tenant will pay a late fee equal to fifteen percent (15%) of the unpaid portion of any installment of Rent if paid more than ten (10) days following the due date of same. In addition, Rent or other sums that may become due and owing from Tenant to Landlord under this Lease will bear interest from the respective due date until paid at the lesser of: the rate of eighteen percent (18%) per annum, or the maximum interest permitted under applicable law. No payment by Tenant or receipt by Landlord of a lesser amount than due will be deemed to be other than a payment on account, nor will any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction of any kind. Landlord may accept checks or payment without prejudice to the right to recover the balance or pursue any other remedy. Without limiting the foregoing, the terms of Article 8, or any other provision in this Lease or the GSA, in the event any installment of Rent is not paid on or before the tenth (10<sup>th</sup>) day of the month, Landlord may automatically debit such amount from Tenant's account using Auto-Pay, and Tenant hereby consents thereto.

**3.03 TAXES.** Landlord will pay, when due, all real estate taxes which may be levied or assessed against the land and improvements on the Premises during the Lease Term, and shall pay any personal property taxes assessed with respect to any personal property owned by Landlord and located on the Premises. Tenant will pay, when due, the amount of all personal property taxes levied or assessed upon any fixtures, equipment or other improvements now or subsequently owned by Tenant. In addition, Tenant will pay, when due, the amount of sales tax levied or assessed on or in connection with the sale of goods by Tenant at the Premises or otherwise, other than any sales tax associated with the sale of RaceTrac gasoline at the Premises. Without limiting any of the foregoing, Tenant will comply with all reporting, filing and tax return obligations arising in connection with the real estate and personal property taxes referenced herein (collectively, the "Taxes") and, upon demand, will promptly deliver proof of such compliance to Landlord. In the event Tenant fails to comply with the requirements of this Section, Landlord may, but will not be required to, perform the requirements on Tenant's behalf (including, without limitation, paying Taxes owed by Tenant) in which event all costs incurred by Landlord for doing so will be immediately due and payable to Landlord as Rent. At the expiration of the Lease Term, and as a condition to any obligation on Landlord's part to return the Security Deposit (or any portion thereof) to Tenant, Tenant will provide evidence to Landlord of Tenant's compliance with all payment and reporting obligations arising in connection with the Taxes and Tenant agrees that in the event of noncompliance or nonpayment, Landlord may withhold from the Security Deposit the amounts Landlord reasonably determines will be necessary to satisfy all of these obligations. Without limiting any other remedies of Landlord set forth in this Lease, in the event Tenant fails to provide evidence to Landlord, within 120 days after request, that Tenant is then in compliance with all payment, reporting and filing obligations with

respect to all Taxes for which Tenant is responsible under this Section 3.03, Landlord may immediately impose a fine of \$500.00 for each day that elapses after such 120 day period until such evidence is provided to Landlord establishing such full compliance to Landlord's satisfaction. Such payment shall be considered Rent and immediately due and payable from Tenant.

**3.04 UTILITIES.** Tenant will pay all fees and charges for gas, water, sewer, electricity, lawn maintenance, pest control, dumpster and other services and utilities used on the Premises. Tenant will place or subscribe for all utility services only in Tenant's exact name and shall not subscribe to such utilities in the name of Landlord.

**3.05 SECURITY DEPOSIT.** Tenant acknowledges and agrees that the Security Deposit is not an advance payment of Rent in the case of default by Tenant. Landlord will be entitled to commingle the Security Deposit with Landlord's other funds. Without limiting the terms of Section 8.02 (d) or (e) below, upon the occurrence of a Default hereunder (or under any Related Lease (as hereinafter defined)), Landlord may, in Landlord's sole and absolute discretion, use, apply or retain the whole or any part of the Security Deposit to the extent required for the payment of any Rent or any other sum as to which Tenant is in default or for the payment of any other damage, injury, expense, or liability resulting from any Default or for the payment of any tax, lien or other sums Tenant is obligated to pay to third parties hereunder (including, without limitation, lottery and/or sales tax liens, disbursements, payments and receipts and payments to third party vendors under the Coke Freestyle, Core-Mark, Frazil/Freezing Point and similar arrangements) and performing (or remedying) any unperformed obligations of Tenant during the Term. Following any application of the Security Deposit, Tenant will pay to Landlord on demand the amount necessary to restore the Security Deposit to its original amount. Subject to the terms of Section 2.09(a)(iv) above, in the event that Tenant will have then fully complied with all of Landlord's covenants and obligations under this Lease, the remaining portion of the Security Deposit shall be returned to Tenant within one hundred eighty (180) days after Tenant vacates the Premises and surrenders the Premises in the condition required under Section 2.07 above (or such earlier time as may be required by applicable law); provided, however, (i) Landlord shall in no event be required to return the Security Deposit until Landlord has calculated (and, if necessary, corrected) and received Percentage Rent for every month during the Lease Term and confirmed that Tenant has paid and delivered, to the applicable authorities, all sales tax, personal property tax and lottery payments, receipts and disbursements attributable to the Lease Term, (ii) Landlord shall retain from the Security Deposit an amount equal to the Change in Control Fee (or, if applicable, such greater amount as shall be required to reimburse Landlord for all costs incurred by Landlord in cleaning and repairing the Premises, and performing (or remedying) any obligations (including, without limitation, maintenance responsibilities under Section 4.02(a) below) that Tenant failed to perform during the Lease Term, after Tenant's surrender of the Premises), and (iii) Landlord may utilize the Security Deposit (and deduct therefrom any amounts necessary) to satisfy any deficiency in the amount of the security deposit for, or cure any default under, any Related Lease. In the event Landlord is unable to locate Tenant (after using diligent, good faith efforts) and is unable to deliver any remaining portion of the Security Deposit to Tenant at the time Tenant is entitled thereto then Tenant shall be deemed to have released and relinquished any rights in and to such remainder of the Security Deposit, which remainder shall become Landlord's property at such time (to the fullest extent permitted by applicable law).

## **ARTICLE 4**

### **MAINTENANCE, REPAIR AND ALTERATIONS TO**

### **PREMISES**

**4.01 MAINTENANCE AND REPAIR BY LANDLORD.** Landlord is responsible only for maintaining the functional portions of the Gasoline Dispensing Equipment (except such maintenance as expressly assigned to Tenant below), the Special Equipment, any Landlord Reserved Equipment (as defined in Section 5.10 below) and the following structural components of the Premises: the foundation,

footings, beams, exterior, roof (but not rooftop-mounted equipment), load bearing walls (excluding interior or exterior finishes thereof), structural columns and structural floors. **LANDLORD IS NOT RESPONSIBLE FOR ANY OTHER MAINTENANCE OR REPAIRS.**

#### 4.02 **MAINTENANCE AND REPAIR BY TENANT.**

(a) Tenant is responsible for all other maintenance and repairs at or of the Premises (including any repairs necessary to the building, parking lot and building lighting) not expressly included in the list of Landlord's obligations above. Tenant shall maintain the Premises in a good, clean, safe and orderly condition, and incompliance with all applicable laws, rules, codes and regulations. Tenant's obligation to maintain the Premises shall include, but not be limited to (i) ensuring that inside light fixtures are routinely cleaned and in good operational condition, (ii) periodic painting of the interior of the Premises utilizing colors that are in accordance with paint colors determined by Landlord, (iii) routine lawn and landscape maintenance, (iv) keeping all parking lot and pump areas in good, clean condition, free of damage, weeds and trash, and (v) ensuring that all HVAC systems are in good repair and operating condition with all filters, coolers and refrigeration units being routinely checked and kept clear of debris (which shall include replacement of any HVAC unit or portion thereof when necessary to keep the same in good working order).

(b) No matter what else this Lease may say, Tenant understands that Tenant is responsible for ensuring that the Premises comply with all applicable laws at all times (including, without limitation, the Americans with Disabilities Act (as that Act may be amended)), and Tenant shall be responsible for making any alterations, maintenance and repairs necessary to assure and maintain compliance with those laws, whether such modifications are structural or otherwise; provided, however, Tenant shall not make any structural changes or modifications to the improvements on the Premises without Landlord's express written consent, which Landlord will not unreasonably withhold, condition or delay so long as such changes are required in order to comply with applicable laws, rules or ordinances.

(c) In addition, Tenant shall maintain the visible, external portions of the Gasoline Dispensing Equipment in a clean condition. Unless specifically instructed in writing by Landlord, Tenant shall not repair the Gasoline Dispensing Equipment. However, Tenant shall conduct, at a minimum, a daily inspection of hoses, certified equipment, nozzles, breakaways, valves, seals, vapor recovery systems, underground storage tanks and other equipment to ensure environmental compliance and shall be solely liable for any non-compliance not immediately reported in writing to Landlord or not otherwise corrected, and/or any malfunctions of any nozzles, hoses and/or breakaways (including any damages to persons or property related thereto). Tenant shall immediately shut down the Gasoline Dispensing Equipment if continued operation would be dangerous or unsafe.

(d) Tenant shall keep the Cash Dispensing Equipment and the Special Equipment in working order, including but not limited to, keeping paper, ribbons and other appropriate Supplies sufficiently and properly placed within each piece of such Equipment.

(e) Tenant shall be responsible for daily inspection of the Gasoline Dispensing Equipment and the PAP Equipment (including an inspection of the interior portions of the dispensers) to determine the presence of any credit card skimming or card reading devices or equipment, any damage to the pulsar which would allow fuel to continuously flow following a single credit card swipe, and/or any other devices or equipment which may compromise the security of or otherwise collect any customer's data or affect the operation of the Gasoline Dispensing Equipment. Tenant shall immediately report the finding of same to Landlord

(f) Tenant acknowledges and agrees that if Tenant does not perform the maintenance and repairs as required, Landlord reserve the right to hire the services of third party providers or utilize

Landlord's own resources, in either case at Tenant's expense, to bring the condition of the Premises to the level required herein.

**4.03 ALTERATIONS BY TENANT.**

(a) Tenant will not undertake any additions or alterations in or to the Premises that affect the (i) structures, fixtures or systems at the Premises (including, without limitation, sinks, counters, islands, cashwraps, ventilation hoods, HVAC equipment, utility lines, lighting and ceiling tiles), or (ii) interior layout or physical plant of the building, without Landlord's prior written consent, which consent may be given or withheld in Landlord's sole discretion (except consent will not be unreasonably withheld, conditioned or delayed if such changes are required to comply with applicable laws).

(b) In the event Tenant makes alterations or additions to the Premises, any value attributable to those alterations or additions will accrue to Landlord's benefit and will not be reimbursable to Tenant in any manner.

(c) In no event may Tenant install, remove or modify any Gasoline Dispensing Equipment or Landlord Reserved Equipment at the Premises.

**ARTICLE 5  
FIXTURES, EQUIPMENT, AND MERCHANDISE**

**5.01 TRADE FIXTURES, EQUIPMENT AND PERSONAL PROPERTY.**

(a) Tenant may install such trade fixtures, equipment, signs, other personal property that are appropriate and necessary for the operation and use of the Premises for the Permitted Use, subject to Landlord's reasonable approval. **BY SIGNING THIS LEASE, TENANT ACKNOWLEDGES AND REPRESENTS THAT UNDER ANY AND ALL CIRCUMSTANCES, TENANT ASSUMES THE RISKS OF LOSS AND IS FULLY AWARE OF THE RISKS OF LOSS IN HAVING TO REMOVE USED OR DEPRECIATED EQUIPMENT FROM THE PREMISES IN THE EVENT OF TERMINATION OF THIS LEASE.**

(b) Tenant agrees that all trade fixtures, equipment, signs, other tangible property or personal property maintained by Tenant at the Premises or brought into the Premises by Tenant, its employees, agents or licensees will be at Tenant's sole cost, expense and risk. Landlord will not be liable for theft of or damage to any such trade fixtures, equipment, signs, other tangible property or personal property or the theft of any money located at or on the Premises. All trade fixtures, equipment, signs, other tangible property and personal property used or stored by Tenant on the Premises will be purchased, maintained and owned by Tenant, and only in Tenant's name as set forth in this Lease (Tenant shall not purchase, lease or otherwise obtain such items for or under the name of RaceWay, RaceTrac or any of the Landlord Parties).

**5.02 OWNERSHIP OF PROPERTY, FIXTURES AND EQUIPMENT.**

(a) Any trade fixtures, equipment, signs or other personal property brought onto the Premises by Tenant shall be owned by Tenant during the Lease Term; provided, however, unless expressly permitted to be removed by Tenant at the expiration or termination of the Lease Term as provided in this Lease (including, without limitation, Section 2.07 above), such fixtures, equipment and personal property shall become the property of Landlord at the expiration or termination of the Lease Term and will remain on the Premises or a part of the real estate.

(b) All buildings, improvements, fixtures, equipment, signage and articles of property which, are located at the Premises at the date Tenant takes possession of the Premises, or which are later installed or erected by Landlord, are Landlord's property and will remain on the Premises and will not be removed by Tenant at the termination of this Lease. This Lease does not convey to Tenant any ownership or leasehold interest in same, but only a license to use same during the Lease Term in accordance with the terms of this Lease.

(c) For purposes of clarification only, and not by way of limitation, the following buildings, improvements, fixtures and equipment, if located on the Premises, are excluded from the items covered by this Lease and are not considered part of the Premises, and this Lease does not convey to Tenant any ownership or leasehold interest in same, but only a license to use same during the Lease Term in accordance with the terms of this Lease:

- (i) The Gasoline Dispensing Equipment, Special Equipment and Landlord Reserved Equipment.
- (ii) Any personal property, merchandise, equipment, furniture and fixtures installed pursuant to Section 5.04 below or otherwise not owned by either Tenant or Landlord, including, but not limited to any of the following types of items: automated teller machines or other cash dispensing equipment, vendor merchandisers, any item containing or displaying the word "RaceWay" or "Raceway".

5.03 **EQUIPMENT INDEMNIFICATION.** Tenant hereby agrees to defend, indemnify and hold harmless the Landlord Parties and any landlord or lessor under a Prime Lease (if applicable), from any and all liability, loss, damage, claim, suit, judgment, expense, cost, fine, penalty (including, but not limited to, attorneys fees and costs of litigation) arising out of the injury, disease or death of any person or damage to or loss of any property, in any case, caused by or resulting from any act or failure to act by Tenant, Landlord or any third party in connection with any use, non-use, misuse, installation, removal or repair of any equipment on or at the Premises (including but not limited to any equipment owned by Tenant, any equipment owned by Landlord, and any equipment owned by any third party), or the mere existence of any such equipment on or at the Premises.

5.04 **ADDITIONAL REQUIRED ITEMS.** Without limiting Tenant's other obligations in this Lease, Tenant shall, from time to time, lease or purchase from Landlord or third parties selected by Landlord, and install, use and maintain in the Premises, certain equipment necessary or desirable, in Landlord's reasonable discretion, for Tenant to operate the Permitted Use, which may include, without limitation, drink or coffee vending or dispensing machines (such as Coca-Cola Freestyle machines and Bean-2-Cup coffee machines). Such items shall be subject to the terms of Sections 5.01 and 5.02 above.

**5.05 ADDITIONAL PROVISIONS REGARDING TRADE FIXTURES, EQUIPMENT AND PERSONAL PROPERTY.**

(a) Tenant may require Landlord to purchase Eligible Equipment on the Approved Purchase List, if the conditions of this Section are fully and timely met:

- (i) Landlord (not Tenant) terminates the Lease for any reason or no reason other than a Default;

- (ii) Tenant notifies Landlord in writing received at least twenty (20) days prior to termination of the Lease that it wishes to sell to Landlord all, and not less than all, Eligible Equipment listed on the Approved Purchase List, at the Equipment Purchase Price established hereunder; AND
- (iii) A Special Circumstance exists.

(b) Upon receipt by Landlord of timely notification from Tenant of Tenant's desire to sell Eligible Equipment, Landlord shall, if the circumstances warrant, notify Tenant within ten (10) days, of the existence of a Special Circumstance, in which event, Landlord shall proceed to purchase all, and not less than all, Eligible Equipment listed on the Approved Purchase List, at each item's applicable Equipment Purchase Price, subject to Landlord's right of setoff.

(c) If the above conditions apply, but Landlord fails to notify Tenant of the existence of a Special Circumstance which subsequently occurs within the time prescribed, and Tenant has sold the Eligible Equipment listed on the Approved Purchase List, at a price less than the Equipment Purchase Price (a "**Distressed Equipment Price**"), then Landlord shall be obligated to Tenant for the difference between the Equipment Purchase Price for such item and the Distressed Equipment Price for such item; provided, however, damages to Tenant in such circumstances or for any other damages directly, indirectly, or consequentially resulting from Eligible Equipment shall be limited to \$5,000 in total.

(d) Landlord is under no obligation whatsoever to purchase any other trade fixtures, equipment, signs, tangible property or personal property from Tenant under any circumstances, except as provided above. All other items not so listed on the Approved Purchase List shall be at the sole risk of Tenant. By execution of this Lease, Tenant acknowledges and represents to Landlord that under any and all circumstances, except with respect to any purchase obligation by Landlord as expressly stated above, Tenant assumes the risks of loss and is fully aware of the risks of loss in having to remove new, used or depreciated equipment from the Premises in the event of termination of this Lease by Tenant or Landlord for any reason or no reason.

## 5.06 MERCHANDISE.

(a) As provided in this Section, Tenant may require Landlord to purchase Eligible Merchandise if all of the following conditions are fully and timely met:

- (i) Landlord (not Tenant) terminates the Lease for any reason or no reason other than a Default;
- (ii) Tenant notifies Landlord in writing received by Landlord at least twenty (20) days prior to termination of the Lease that it wishes to sell to Landlord all, and not less than all, Eligible Merchandise located on the Premises; AND
- (iii) A Special Circumstance exists.

(b) Upon receipt of timely notification desiring to sell Eligible Merchandise, Landlord shall, if the circumstances warrant, notify Tenant within ten (10) days of the existence of a Special Circumstance, in which event, Landlord shall proceed to purchase all, and not less than all, Eligible Merchandise located on the Premises, at termination of the Lease at the Merchandise Purchase Price. In the event the above conditions are met, but Landlord fails to notify Tenant of the existence of a Special Circumstance which subsequently occurs within the time prescribed, and Tenant sells the Eligible Merchandise at a price less than the Merchandise Purchase Price (a "**Distressed Merchandise Price**"), then Landlord shall be obligated to Tenant for the difference between the Merchandise Purchase Price and

such Distressed Merchandise Price. However, Landlord's damages to Tenant in such circumstances or for any other damages directly, indirectly, or consequentially resulting from losses due to Eligible Merchandise shall be limited to \$5,000 in total.

(c) If Tenant does not provide such timely notice to Landlord as required above or fails to provide such notice at all, Tenant, by the expiration or termination of the Lease, shall have either (i) removed all, but not less than all, of Tenant's merchandise from the Premises, or (ii) sold the merchandise pursuant to the terms hereof to a successor operator (as determined by Landlord). Any and all other merchandise left at the Premises and not removed or sold pursuant to this Section 5.06(c) shall be deemed abandoned, in which case such abandoned merchandise may be retained by Landlord or a successor operator (as determined by Landlord), in either case, for their respective use or removed from the Premises by Landlord or a successor operator (as determined by Landlord) at Tenant's expense.

(d) All merchandise used or stored by Tenant on the Premises will be purchased, maintained and owned by Tenant, and only in Tenant's name as set forth in this Lease (Tenant shall not purchase, lease or otherwise obtain such items for or under the name of Landlord, Landlord or any of the Landlord Parties).

#### **5.07 EQUIPMENT TRANSFER BETWEEN TENANT AND NEW TENANT.**

(a) In the event Landlord leases the Premises to a new tenant that is willing, subject to this Lease and GSA, to purchase Tenant's merchandise, equipment, signs and other tangible property, BUT ONLY IF Landlord CONSENTS TO SUCH SALE AND PURCHASE, WHICH CONSENT MAY BE WITHHELD FOR ANY REASON OR NO REASON, Tenant shall not collect from such person or entity, directly or indirectly, any sum related to or representing (i) an intangible investment in, or reimbursement to Tenant for any intangible investment in, the Premises or the business conducted at the Premises, (ii) an assignment of any right or consent to occupy the Premises, or to conduct business at the Premises, (iii) goodwill, or (iv) any similar premium, bonus or extra payment. In any such conveyance by Tenant to a successor tenant, the purchase price for Tenant's equipment, signs and other tangible property shall not exceed the value for such items as determined pursuant to this Article 5. Tenant shall not sell, assign or otherwise transfer to the successor tenant any equipment, signs or other tangible property that was not approved by Landlord for use at the Premises unless such successor contract operator specifically agrees that such property does not exceed fair market value for such used equipment, and agrees to assume all risks associated with such equipment. Additionally, the purchase price for any merchandise transferred to the successor tenant by Tenant shall not exceed the value for such merchandise as determined by the lower of such merchandise's acquisition cost or its wholesale value. Tenant shall not sell, assign or otherwise transfer to the successor tenant any merchandise that is distressed, damaged, expired (pursuant to its packaging, or other storage or holding standards promulgated by Landlord or the manufacturer of such item), or older than ninety (90) days old as determined from the date of manufacture.

(b) Tenant represents that Tenant has not paid any previous tenant of the Premises more than the value of such tenant's equipment, signs and other tangible property as was disclosed by Tenant to Landlord as provided above. Tenant further represents that Tenant has not paid any previous tenant of the Premises more than the value of such Tenant's merchandise as was disclosed by Tenant to Landlord as provided above. Additionally, Tenant represents that no other amount was paid, directly or indirectly, to or on account of such previous tenant with respect to any merchandise, personal property, fixtures or equipment related to the conduct of business at the Premises.

**5.08 CONSENT REQUIRED FOR LIEN UPON EQUIPMENT OR MERCHANDISE.** Without the prior written approval of Landlord, Tenant shall not place any lien upon, obtain financing related to, nor enter any other agreement, the result of which creates any lien (or vests in any third party a right of lien) upon any furniture, fixtures, equipment or merchandise in the Premises, whether or not owned by

Tenant, and Tenant hereby agrees to indemnify and hold Landlord harmless with respect to any claims, costs or damages suffered by or asserted against Landlord as a result of any such liens.

**5.09 CONCERNING FUTURE PAYMENT TYPES AND SERVICES.** At any time during the Lease Term, Landlord may require that Tenant accept additional, customary forms of payment (e.g. private-label credit cards and gift cards) or provide payment related services (e.g. check cashing machines or kiosks). In such an event, upon Landlord's request, Landlord may install equipment, signage, and other items and improvements related to the foregoing payments or services in locations selected by Landlord (which locations include, without limitation, the interior of the store), and may modify, supplement, and remove such items from time to time in Landlord's discretion. Tenant shall comply with any terms of use requirements for such items provided by Landlord, third party providers and applicable authorities as well as comply, if applicable, with the terms of Section 12.08 below. All of the foregoing items shall at all times be and remain the property of Landlord (or applicable third-party providers) and shall be subject to the terms of Section 5.02(c) above.

**5.10 LANDLORD RESERVED EQUIPMENT AND SERVICES.**

(a) Landlord reserves the right and Tenant grants Landlord a right and license to install, maintain, replace, repair and operate on the Premises (and, with respect to services, perform) the following: scales, equipment for (and the performance of) laundry services, equipment for (and the performance of) tire-related services, parking meters or equipment for the provision of paid parking services, electric vehicle charging equipment and the provision of electric vehicle charging services, and other equipment for (and the provision of) services not expressly reserved to Tenant hereunder (all of the foregoing collectively the "**Landlord Reserved Equipment**" and the provision of services related thereto collectively the "**Landlord Reserved Services**").

(b) Tenant acknowledges that Landlord has no obligation to install and/or provide, and makes no representations that it will provide, any or all of, such Landlord Reserved Equipment and/or Landlord Reserved Services. Landlord may, for any reason or no reason, in its sole discretion and whether or not Tenant is in default hereunder, and without prior notice to Tenant, remove, modify or install any Landlord Reserved Equipment (including new equipment not expressly identified above), and perform any Landlord Reserved Services (including new services not expressly identified above), desired by Landlord. This Lease does not convey to Tenant any ownership or leasehold interest of any nature whatsoever in any Landlord Reserved Equipment which may be on the Premises, all of which shall remain the sole and exclusive property of Landlord.

**ARTICLE 6**  
**INSURANCE AND DAMAGE TO PROPERTY**

**6.01 INSURANCE.** Tenant will pay for and continuously maintain the following insurance for the Premises during the Lease Term:

(a) **Worker's Compensation and Employer's Liability** with a combined single limit of \$1,000,000.00 as prescribed by law in the state in which the Premises is located, or if not prescribed by law for Tenant's particular business operations or number of employees, then in the minimum amount prescribed by law for a business of the type and nature operated by Tenant, or in commercially reasonable limits;

(b) **Commercial General Liability** insurance, including dram shop insurance covering liability from the sale of alcoholic beverages at the Premises and covering liability for bodily injury or property damage occurring at or on the Premises (including, without limitation, those arising from actual, threatened or alleged assault or battery at the Premises), in a form approved by Landlord, on an occurrence

basis, with a combined single limit of at least \$2,000,000.00 for bodily injury and property damage, per occurrence, containing a special endorsement recognizing and insuring any liability of Tenant's accruing under the indemnity obligation set forth herein. The per occurrence limit may be satisfied by a combination of the general liability policy and an umbrella policy. Any umbrella policy must include all coverages as required in the general liability policy. The certificate of insurance shall show proof of dram shop and shall show proof that assault and battery coverage is not excluded from the Commercial General Liability coverage;

(c) **Automobile Liability Insurance** including non-owned and hired vehicle coverage with limits of liability of not less than \$250,000.00 per accident for bodily injury and property damage;

(d) **Fidelity/Crime Insurance** covering Tenant's liability to Landlord under this Lease for losses due to fraud, theft or embezzlement by Tenant and/or Tenant's employees in the amount of \$50,000.00 for each of Tenant's employees, which coverage must include a third-party endorsement in favor of Landlord and name Landlord as a Loss Payee;

(e) **Theft and Accident Insurance (Damage to Rented Premises)** covering Tenant's liability to Landlord under this Lease for loss or damage to Landlord's property in the amount of \$50,000.00 per occurrence; and.

(f) **Cybersecurity Insurance** in the event any bitcoin or other cryptocurrency ATMs are located in the Premises, which shall include network risk and cyber liability coverage (including coverage for unauthorized access, failure of security, breach of privacy perils, as well as notification costs and regulatory defense) in an amount of not less than \$1,000,000. Such insurance shall be maintained at all times during which such ATMs are located in the Premises and for a period of two years thereafter. This provision shall in no event limit the terms and limitations contained in Section 2.03(a) above.

If Tenant conducts operations at locations and/or projects other than the Premises, the limits set forth above will be expressed on a "per location" and/or "per project" basis, as the case may be. In addition to the foregoing, Landlord may require Tenant, and Tenant agrees, to add any additional coverages and/or amounts of coverage as Landlord may request or demand by Landlord's mortgagee, if any, and Landlord reserves the right to increase the above minimum coverages at any time upon written notice to Tenant (provided such amount shall not increase more than once a year).

**6.02 ADDITIONAL INSUREDS.** All insurance policies required to be carried under this Lease will (i) name Tenant and its individual principals as primary insured, (ii) name Landlord and any party designated by Landlord as additional insureds (except as to the worker's compensation coverage) and (iii) will be primary to any insurance maintained by Landlord or any party designated by Landlord as an additional insured. Landlord's status as an additional insured will not be limited. The insurance described above will include the following other insurance amendment:

**THIS INSURANCE IS PRIMARY INSURANCE WITH RESPECT TO RACETRAC, INC., AND  
ANY OTHER INSURANCE MAINTAINED BY RACETRAC, INC. WILL BE EXCESS AND NOT  
CONTRIBUTORY IN ANYMANNER WITH THIS INSURANCE.**

Any and all insurance coverage maintained by Landlord will be excess or secondary but noncontributing insurance (in neither a concurrent nor pro rata manner) to all insurance policies required to be maintained by Tenant in this Lease. All policies will be effective on or prior to the Effective Date of this Lease and will remain effective throughout the Lease Term and any extensions or holdover periods. Evidence of payment of premiums, duplicate copies of policies of the insurance required and certificates of insurance with respect to all required coverage have been delivered to Landlord or will be delivered to Landlord within five (5) days of the date hereof, and thirty (30) days prior to the expiration date of an existing policy

of insurance. All policies of insurance will include provisions waiving subrogation against Landlord and prohibiting cancellations or material changes to the policy until thirty (30) days after written notice has been given to Landlord by the insurance company. All insurance will be placed with a reputable insurance company acceptable to Landlord and licensed to do business in the state in which the Premises is located. Any deductibles or retentions applicable to any of the insurance required herein will be payable solely by Tenant. All insurance must be free of any exclusions including, but not limited to, assault and battery and firearms.

6.03 **FIRE OR OTHER CASUALTY**. If the Premises or any portion thereof are damaged by fire or any other casualty, Landlord will elect within a reasonable amount of time after such fire or casualty to (a) repair or replace the Premises substantially to the condition which existed immediately prior to such damage or destruction, in which event Base Rent will abate during the period the Premises cannot be used for its intended purpose; or (b) terminate this Lease. In no event will Landlord be obligated to rebuild or repair the improvements on the Premises. Tenant assumes the risk of any and all damage from any casualty whatsoever to Tenant's improvements, inventory, equipment, personal property, furniture, trade fixtures, merchandise, and to all other property belonging to Tenant within, on, or around the Premises. Landlord will not be liable to Tenant for inconvenience, annoyance, loss of profits, expenses, or other type of injury or damage resulting from the repair of any such damage or any delay or failure in making such repairs, and Tenant will look solely to Tenant's insurance proceeds for any recovery relating to such damage, delay or failure.

6.04 **CONDEMNATION**. In the event the Premises or any part of the Premises is taken or condemned, either permanently or temporarily, for any public or quasi-public use or purpose by any competent authority in appropriate proceedings or by any right of eminent domain or by a deed in lieu of condemnation, the entire compensation award, including but not limited to damages for leasehold and reversion and for loss of profits or business, will belong to Landlord, and Tenant conveys, transfers and assigns unto Landlord, Landlord's successors and assigns, all of Landlord's right, title, interest and power to pursue, obtain or otherwise receive any proceeds, damages or awards as a result of the taking or condemnation. Landlord will be entitled to all proceeds payable by the condemning authority without regard to any interest that Tenant may have in the Premises. Tenant will fully cooperate with Landlord in any dispute, negotiation or legal action to establish the amount of proceeds, damages or award to which Landlord are entitled in connection with any such condemnation, deed in lieu of condemnation, or legal proceeding, including testimony and the production of books and records. Tenant hereby waives any claim which Tenant may have against Landlord and hereby releases Landlord, and the Landlord Parties, from any claim for any loss or damages related to any of the condemnation or taking or related to any termination of this Lease by Landlord in connection with any condemnation or taking. Following any condemnation Landlord may, upon twenty (20) days' notice to Tenant, terminate this Lease without penalty or liability to Tenant.

6.05 **CONCERNING OIL AND FUEL SPILLS**. In the event the Premises, any part of the Premises, or any adjacent property is damaged as a result of any spill, leak, release or similar incident of or involving oil and/or motorfuel, notwithstanding any contrary provision contained herein, Tenant shall be responsible for the cost of performing all actions necessary to contain, repair, and remediate all such damage, and Tenant shall cooperate with Landlord (and all applicable authorities) to ensure the timely performance of such work.

**ARTICLE 7**  
**ASSIGNMENT AND CHANGE OF TENANT**  
**ORGANIZATION**

**7.01 ASSIGNMENT.**

(a) TENANT SHALL NOT ASSIGN, SUBLLET, TRANSFER, MORTGAGE OR ENCUMBER ITS RIGHTS OR OBLIGATIONS HEREUNDER, OR ANY INTEREST IN THE LEASE OR THE PREMISES OR ANY PART THEREOF, WITHOUT LANDLORD'S PRIOR WRITTEN CONSENT WHICH MAY BE GRANTED OR WITHHELD IN LANDLORD'S SOLE DISCRETION. The foregoing shall include any transfer whether voluntarily or by operation of law or otherwise. Landlord's consent shall not be valid unless signed by Landlord's President, Chief Executive Officer or Chief Operating Officer, or the Vice President of Raceway Operations. The foregoing shall also prohibit the verbal or written grant of any permissions, licenses, concessions, easements or other rights to any other party for the use of the Premises or any part thereof for any reason (including without limitation by any vendor, retailer or other sales or service provider) unless such written consent has been given.

(b) The foregoing prohibitions shall apply whether or not any proposed sublessee, assignee, vendor or agent intends to use the Premises for the Permitted Use, and shall apply to any assignee or subtenant hereunder or any other entity created by Tenant to operate the business on the Premises or which entity is contracting for any goods or services related thereto, and/or otherwise holding itself out as the operator or lessee of the Premises, whether or not Tenant have executed an actual assignment, sublease or other written agreement with such entity.

(c) Any assignee or subtenant for which Tenant has received Landlord's consent as required herein, shall be subject to and bound by all of the terms of this Lease and agrees to assume and perform all of the obligations of Tenant hereunder.

(d) Landlord shall be entitled to retain one hundred percent (100%) of any fee, additional rent, overage rent or other charge or consideration received by Tenant in exchange for any assignment or subletting whether or not permitted hereunder, and Tenant shall immediately pay and remit same to Landlord upon receipt or direct such assignee or subtenant to remit the same directly to Landlord.

(e) No assignment or subletting shall serve to release Tenant from any obligations or responsibilities hereunder.

**7.02 CHANGE OF CONTROL.** Tenant hereby represents and warrants that **Schedule 1** which is attached hereto and made a part hereof by reference includes a list of all persons or individuals having an ownership or management interest in Tenant, and that no other persons or entities have such interest. For purposes of this Lease, (i) any change in Tenant's ownership or any transfer of any ownership interest in Tenant, or (ii) any delegation by Tenant of the management of the Premises to any person or entity other than any principal or owner of Tenant, will constitute an assignment or transfer as contemplated in Section 7.01 of this Lease, and such change will be subject to the provisions thereof, including, but not limited to, the requirement of obtaining Landlord's prior written consent, which consent may be withheld for any reason or no reason, to such change of ownership or transfer of ownership interest.

**7.03 INTEREST IN COMPETING BUSINESS.** Tenant hereby represents and warrants that **Schedule 2** which is attached hereto and made a part hereof by reference includes a list of any and all businesses, enterprises or operations in which Tenant (or any of its owners, principals, members or partners) have any ownership, management, partnership or other interest, if such business is a convenience store, retail fuel store, coffee shop, restaurant or other retail food sales, tobacco store, liquor or package store, or other business the nature of which is in competition with the business to be operated

by Tenant hereunder. Tenant shall immediately notify Landlord of any changes to **Schedule 2** which occur during the Lease Term, and failure to accurately make any disclosure on **Schedule 2** as of the Effective Date or any changes thereto shall constitute an immediate Default hereunder.

## **ARTICLE 8** **DEFAULT AND ADDITIONAL RIGHTS OF LANDLORD**

8.01 **DEFAULT.** The occurrence of any of the following events will be a “**Default**” under this Lease:

A. The following shall be immediate Defaults, without any grace or cure period, excepts as expressly described below:

(a) Tenant fails to pay any Rent when due (including any attempted payments returned for insufficient fund(s)) and the failure (i) is not cured within ten (10) days after notice from Landlord, (ii) is the second occurrence in any twelve (12) consecutive month period for which no notice is required or (iii) in the event Tenant is a single-member limited liability company, and the sole member (individual or entity) files for bankruptcy or is adjudicated bankrupt;

(b) Tenant or any Tenant Party fails to observe or perform any of the terms of, or there is a default under, any other agreement between Tenant (or any Tenant Parties) and any of the Landlord Parties which may now or hereafter be existing, including without limitation, any lease or gasoline services agreement for any other property (a “**Related Lease**”), or any security agreement, equipment lease, service agreement or operating agreement (and further provided that any Default of Tenant hereunder shall also be deemed a default or violation of any such other agreements or leases);

(c) Tenant, directly or indirectly, or in any way whatsoever, initiates or engages in any activity or enterprise, the effect of which may reduce or otherwise negatively impact the volume of gasoline sold on the Premises;

(d) Bankruptcy or insolvency proceedings are instituted by or against Tenant, Tenant becomes insolvent or files a petition for any type of relief under any state or federal bankruptcy or debt relief act, or Tenant initiates a general assignment for the benefit of creditors (or the same is initiated for Tenant);

(e) Tenant’s license to sell alcohol at or from the Premises is put on a probationary status or is suspended or revoked;

(f) Tenant, or any of Tenant’s principals is arrested for, or agrees to a plea of nolo contendere to a felony or misdemeanor involving fraud or moral turpitude, whether or not the crime has any relation to Tenant’s business on the Premises;

(g) Tenant or any of its employees engages in any criminal or otherwise illegal activity on the Premises, including violation of any federal law inclusive of the sale of cannabis, CBD products and/or restrictive nicotine-based products;

(h) Tenant or Tenant’s business on the Premises is the recipient of imposition of a State sales tax lien;

(i) Death of the Tenant (if Tenant is an individual or sole proprietorship) or the death of Tenant’s principal, manager, or managing member (if Tenant is any corporation, company or other organized entity other than a sole proprietorship or individual);

(j) The business on the Premises is deserted, vacated or closed for twenty-four (24) consecutive hours as set forth in Section 2.04 above, whether or not Rent has been paid;

(k) Tenant fails to vacate the Premises on or before the last day of the Lease Term;

(l) Tenant's failure to maintain all necessary licenses and permits in full force and effect without lapse (including without limitation, alcohol, tobacco and/or lotto or lottery licenses);

(m) Tenant's failure to obtain consent for any remodeling, modification or addition to the Premises, including the installment or removal of any equipment or fixtures, as required herein;

(n) Any intentional, willful, or negligent or misstatement or misrepresentation in, or failure to provide, any financial statement provided to Landlord as provided in Section 9.06 below, or any other failure to comply with the requirements of Section 9.06 below;

(o) Landlord, in its sole and absolute discretion, has reason to believe that Tenant, or Tenant's employees, agents, or representatives have committed or contributed to a theft of Landlord Funds (as defined in the GSA) or RaceTrac Gasoline;

(p) Tenant's failure to maintain the insurance coverages required herein;

(q) Tenant's failure to accurately enter all sales from the Premises into the point of sale system in accordance with Section 3.01 above, and/or the intentional falsification of such entries (e.g. inappropriately entering a discounted sale price therein) or the use of any point of sale equipment not approved by Landlord, or Tenant's acceptance of a Service Charge Reimbursement based upon misreported, or otherwise not fully and accurately reported, sales information;

(r) Tenant's failure to pay or disburse any taxes, lottery receipts/payments, utility charges or similar fees or charges which are the responsibility of Tenant hereunder;

(s) Tenant's failure to obtain Landlord's consent to any subletting or assignment of this Lease or the Premises, or any change in the ownership structure of Tenant, as required herein, or failure to immediately notify Landlord of any change in the information set forth on Schedule 1 or Schedule 2 attached hereto;

(t) Tenant's use of the Premises for any purpose other than Permitted Use, including granting any permission, license or sublease for any user in violation of Article 7 or Section 2.02 above or Tenant's interference with Landlord Reserved Services or modification, damage to or interference with any Landlord Reserved Equipment;

(u) Tenant's violation of the exclusive provision set forth in Section 2.06 above;

(v) Unauthorized disclosure of any confidential or proprietary information of Landlord (such as, but not limited to, trade secrets, purchase prices, or any portion of this Lease or the GSA);

(w) Tenant's failure to cure any violations or other matters documented during any inspection of the Premises by Landlord within sixty (60) days of receiving written demand from Landlord with respect to same;

(x) Tenant's failure to immediately notify Landlord of any criminal, police or law enforcement activity on the Premises (such as, but not limited to, robberies, arrests, vandalism, etc.);

(y) Tenant's (or any Tenant Parties') default in any of its obligations under the Franchise Agreement or any other franchise agreement with any of the Landlord Parties and fails to cure such default within ten (10) days after written notice thereof is delivered to Tenant (or any Tenant Parties) thereunder;

(z) Tenant's violation of the terms of Section 9.05 below;

(aa) Tenant's violation of the terms of Sections 12.06 or 12.08 below.

B. Tenant is expected to maintain the Premises in a manner that represents a high standard of appearance and operations and preserves the Premises and its goodwill. The following shall be curable Defaults and Tenant shall have the grace or cure period specified below:

(a) If Tenant fails to observe or perform any of the other obligations, agreements, covenants, restrictions or requirements set forth herein (including the GSA) and the same is not cured within ten (10) days after notice from Landlord (unless such Default is the second or subsequent regarding the same matter in a twelve (12) month period, in which case no notice is required), including, without limitation, the following:

(b) Tenant's failure to maintain landscaping in a good, clean, and healthy condition or failure to otherwise maintain such landscaping pursuant to Landlord's specifications;

(c) Tenant's failure to maintain the paved areas of the Premises in a good, clean, safe, and free of debris condition;

(d) Tenant's failure to keep the interior of the improvements located on the Premises (including, without limitation, the back of the store, and the restrooms) in a good, clean, working and safe condition. This will include, without limitation, wiping down fixtures, mopping floors, picking up trash routinely, and the removal of any graffiti and/or offensive language;

(e) Tenant's failure to keep the electrical and utility areas on the Premises in a good, clean, working and safe condition and with full access to electrical and utility panels and components. This will include, without limitation, no stacked/stored boxes, merchandise or any equipment in the electrical room;

(f) Tenant's failure to keep the store fully stocked with fresh, clean merchandise. Merchandise will be in first class condition, no flaws or abrasions and within sell-by date. All items will have price tags and no empty shelves;

(g) Tenant's sale or display of weapons, pornographic or obscene materials, drug paraphernalia, banned, recalled or other items whose sale is prohibited by applicable law and any other prohibited or nonconforming merchandise (as identified from Landlord from time to time);

(h) Tenant's failure to effect fuel price changes on all exterior price signs (both on and off the Premises) immediately after instruction from Landlord;

(i) Tenant's failure to properly notify Landlord of any maintenance or fuel-related request immediately after Tenant discovers (or should have reasonably discovered) the condition warranting such request;

(j) Tenant's failure to provide commercially reasonable service to customers, as documented by customer complaints;

(k) Tenant's failure to maintain sufficient funds in the accounts Tenant is required to keep under the GSA necessary to avoid items being returned to Landlord marked 'NSF' or "Insufficient Funds" (and in addition to any remedies of Landlord, any rejected withdrawal of Rent, returned check or other instance of insufficient funds of Tenant shall immediately incur a fee of \$500.00);

(l) Tenant's failure to stock the Required Inventory at commercially reasonable levels necessary to operate a convenience store or to purchase Required Inventory from suppliers, and in satisfaction of minimum amounts, designated, by Landlord;

(m) Tenant's violation of laws affecting the beneficial use of the Premises, such as foodsafety laws or similar law or regulations, and/or receipt of any fine or violation related thereto;

(n) Tenant's failure to provide the information required under Section 9.06 below;

(o) Tenant's failure to accurately perform a motor fuel price survey immediately after Landlord's request for Tenant to do so;

(p) Tenant's failure to maintain Tenant and the Tenant Parties in good standing under the laws of their state(s) of formation and the state in which the Premises is located;

(q) Tenant's default under any contracts or agreements with any third parties related to the Premises (including, without limitation, the Coke Freestyle, Core-Mark, Frazil/Freezing Point and similar arrangements); and/or

(r) Tenant's sale of a product that cannot lawfully be sold due to any type of Denial Order issued by the Food & Drug Administration (or due to any other state or federal order or directive).

## **8.02 LANDLORD'S REMEDIES FOLLOWING TENANT'S DEFAULT.**

(a) In addition to any late fees or interest which may be charged pursuant to Article 3 above, and not in limitation of any other rights of remedies of Landlord as set forth herein, Landlord shall have the right to impose a fine up to \$500.00 for each day any such event of Default continues following any applicable notice and cure period.

(b) In addition to any other rights or remedies provided herein, including any increased Rent for any holdover period as provided in Section 2.09 above, if Tenant does not vacate the Premises immediately upon termination of this Lease, the damages which will accrue to Landlord will be difficult to calculate, and therefore, Tenant will pay to Landlord, as liquidated damages and not as a penalty, in addition to Rent and other sums otherwise due and payable under this Lease, the sum of one thousand dollars (\$1,000.00) for every day following the termination of this Lease that Tenant have not vacated the Premises, which Tenant agrees will be paid to Landlord upon demand.

(c) Upon the occurrence of a Default, Landlord may, at Landlord's election, but shall not be required to immediately terminate this Lease, and/or do any or all of the following:

(i) with or without terminating this Lease, without notice or process of law, re-enter, expel, remove and put out Tenant and all persons and property occupying the Premises under Tenant, using such force as may be necessary in so doing, and repossess and enjoy the Premises in Landlord's sole discretion. TENANT HEREBY WAIVES ALL STATUTORY RIGHTS WHATSOEVER,

INCLUDING ALL NOTICES RELATED TO LANDLORD'S RIGHT TO RE-ENTER, REPOSSESS AND RE-LET THE PREMISES;

- (ii) perform any of Tenant's obligations under the provisions of this Lease or the GSA, for and on behalf and account of Tenant, and in addition to any and all other rights and remedies of Landlord, the costs and expenses Landlord incurs in connection with Landlord's performance (including without limitation, the procurement of insurance, the discharge of liens, the payment of taxes or other amounts, and the disposal of items left by Tenant) will be an additional charge due immediately to Landlord from Tenant, together with interest at the rate of eighteen percent (18%) per annum or the maximum rate allowed by applicable law, whichever is less, until paid; and/or
- (iii) pursue any other right or remedy available at law or in equity.

(d) Upon any termination of this Lease following a Default, and whether or not Landlord has re-entered the Premises and whether or not the Premises or any part of the Premises are re-let, Landlord may recover from Tenant the following amounts: (1) the amount by which the Base Rent and the entire Security Deposit shall be forfeited by Tenant and shall immediately be deemed earned by, and the property of, Landlord (without limiting any other remedies and without in any way limiting Tenant's liability for damages); and additionally all other sums which would have been payable under this Lease by Tenant (for the period commencing with the day following the date of termination and ending with the last day of the Lease Term had this Lease not been terminated (the "**Remaining Term**")) exceeds the amount of the rent loss which Tenant proves could reasonably be avoided (which excess, if any will be discounted to present value, using a discount rate equal to the prime rate of the Atlanta office of Bank of America (or its successor bank), for the Remaining Term); plus (2) the costs of recovering possession of the Premises and all other expenses incurred by Landlord due to Landlord's default, including, without limitation, reasonable attorneys' fees; plus (3) the unpaid Base Rent earned as of the date of termination plus any interest and late fees due under this Lease, plus (4) other sums of money and damages owing on the date of termination by Tenant to Landlord under this Lease or in connection with the Premises. The amount as calculated above will be deemed immediately due and payable. The forfeiture of the Security Deposit and payment of the amount calculated in clause (1) above will not be deemed a penalty but will merely constitute payment of liquidated damages, it being understood and acknowledged by Landlord and Tenant that actual damages payable to Landlord are extremely difficult, if not impossible, to ascertain.

(e) Upon any termination of this Lease as a result of Tenant's Default, in addition to any Rents, penalties or other charges or fees due from Tenant hereunder, Landlord shall be entitled to retain the entire balance of the Security Deposit.

(f) Nothing herein shall obligate Landlord to mitigate any damages suffered as a result of Tenant's Default, and in no event will Landlord be liable in any respect for failure to mitigate such damages and/or to re-let the Premises.

**8.03 LANDLORD'S RIGHT TO OPERATE.** Upon the termination of this Lease, or any repossession of the Premises with or without such termination, Landlord may at any time, in its sole and absolute discretion, without notice to or consultation with Tenant, operate the Premises and Gasoline Dispensing Equipment with Landlord's own employees. In that event, Landlord will not be liable to Tenant for any loss, damage, injury or claims of any kind arising from the termination of this Lease under the terms of this Lease, by operation of law or otherwise, and any such operation of the Premises and Gasoline Dispensing Equipment by Landlord employees shall be subject to the provisions of Section 9.01 hereof.

8.04 **LANDLORD'S LIEN.** Landlord will have at all times a valid lien and right of setoff for all rentals and other sums of money becoming due under this Lease from Tenant, upon all goods, wares, equipment, fixtures, furniture, signs, accounts and proceeds, other tangible property and other personal property of Tenant's situated on the Premises, and, except in the ordinary course of Tenant's business, the property will not be removed from the Premises without Landlord's consent until all arrearage in Rent as well as any and all other sums of money then due to Landlord under this Lease will first have been paid and discharged. Tenant hereby agrees to execute the Security Agreement in the form attached to this Lease as Exhibit B, and any and all other documents as are necessary for or requested by Landlord to establish or perfect any lien rights in Landlord's favor or any lender of Landlord's, including but not limited to any lien rights granted under this Lease or otherwise provided to Landlord or lender(s) pursuant to any contractual arrangement or by operation of law or equity. Landlord and/or its lender shall have the right to file a UCC Financing Statement, or similar evidence of the lien provided herein, in the office of the applicable Secretary of State or any applicable public records. Upon the occurrence of any Default, Landlord may, in addition to any other remedies provided to Landlord in this Lease or by law enter upon the Premises and take possession of any and all goods, wares, equipment, fixtures, furniture, signs, other tangible property and other personal property of Tenant's situated on the Premises without liability for trespass or conversion, and sell the same with or without notice at public or private sale, with or without having such property at the sale at which Landlord or Landlord's assigns may purchase, and apply the proceeds from the sale, less any and all expenses connected with the taking of possession and sale of the property, as a credit against any sums Tenant owe Landlord. Any surplus will be paid to Tenant, and Tenant agrees to pay any deficiency immediately to Landlord. Alternatively, the lien hereby granted may be foreclosed in the manner and form provided by law for foreclosure of chattel mortgages or in any other form provided by law as may be required by the Uniform Commercial Code of the State where the property is located in order to preserve the priority of the lien created by this Section. The statutory lien for rent is not hereby waived, the express contractual lien hereby granted being in addition and supplementary to the statutory lien.

8.05 **CONCERNING REMEDIES.** Neither the commencement of any action or proceeding, nor its settlement, nor entry of judgment in connection with the action or proceeding will bar Landlord from bringing subsequent actions or proceedings from time to time, nor will the failure to include in any action or proceeding any sum or sums then due be a bar to the maintenance of any subsequent actions or proceedings for the recovery of such sum or sums so omitted. No agreement to accept a surrender of the Premises and no act or omission by Landlord or Landlord's agents during the Lease Term will constitute an acceptance or surrender of the Premises unless made in writing and signed by the Vice President of RaceWay Operations or the Chief Executive Officer, Chief Brand Officer or Chief Legal Officer of Landlord. No re- entry or taking possession of the Premises by Landlord will constitute an election by Landlord to terminate this Lease unless a written notice of Landlord's intention to do so is given to Tenant. No provision of this Lease will be deemed to have been waived by either party unless such waiver is in writing and signed by the party making such waiver. Landlord's acceptance of Rent in full or in part following a Default under this Lease will not be construed as a waiver of such Event of Default. No custom or practice which may grow up between the parties in connection with the terms of this Lease will be construed to waive or lessen either party's right to insist upon strict performance of the terms of this Lease, without a written notice thereof to the other party.

8.06 **INJUNCTIVE RELIEF.** Tenant recognizes in the event of a breach or threatened breach by Tenant of any of the agreements, conditions, covenants or terms of this Lease, that Landlord may suffer irreparable damages which are not capable of being definitely ascertained, therefore Landlord will have the right of injunction to enjoin the same and the right to invoke any other remedy in law or in equity or both, whether or not other remedies are herein provided.

8.07 **LESSER AMOUNTS.** No payment by Tenant or receipt by Landlord of a lesser amount than the amounts due hereunder shall be deemed to be other than on account of the earliest amount due, nor shall

any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such amount or pursue any other remedy provided for in this Lease or at law. Any amounts payable to Landlord by Tenant and not paid when due shall bear interest thereon at the rate of eighteen percent (18%) per annum or the maximum rate allowed by applicable law, whichever is less, until paid.

8.08 **WAIVER.** A waiver by Landlord of any breach of any covenant, condition or stipulation contained herein will not be considered to be a waiver of any subsequent breach of same or any other covenant, condition or stipulation of this Lease nor affect or prejudice Landlord's rights or remedies under this Lease.

## **ARTICLE 9** **ADDITIONAL PROVISIONS**

### **9.01 NO PARTNERSHIP, FRANCHISE OR AGENCY.**

(a) All services performed by Tenant under this Lease shall be performed by Tenant as an independent contractor. The detail, manner and method of doing the work shall be under the control of Tenant. The personnel furnished by Tenant for the performance of services hereunder shall be employees of Tenant, not Landlord, and Tenant shall have the sole right and responsibility to hire, train, supervise and discharge such personnel. Landlord shall have no liability for any salary, payroll, withholding, FICA, workers' compensation or other taxes, fees or charges, whether levied upon Landlord, Tenant or Tenant's assets, in connection with employees hired by or services performed by Tenant. Tenant acknowledges that this Lease does not create, extend or renew a franchise, sub-franchise, partnership or joint venture under any local, state or federal law, including, without limitation, the Federal Petroleum Marketing Practices Act.

(b) This Lease gives Tenant no authority, express or implied, to act as agent of Landlord or any of its affiliates for any purpose. Tenant shall operate its business and maintain bank accounts under such name or names so as to distinguish to creditors, customers and others that said operation is an independent entity from Landlord. Except as specifically provided herein, Tenant shall not use any trade name, trademark or service mark owned or controlled by Landlord in any way or for any purpose without the prior written consent of Landlord, including, but not limited to, "RACETRAC," or "RACEWAY." Tenant shall conduct all business with third parties in its own name and not the name of "RACEWAY", "RACETRAC" or Landlord, or any of its trade names or names of its affiliates.

(c) In the operation of Tenant's business, Tenant is, and will remain, an independent contractor responsible for all obligations and liabilities of, and for all loss or damage to, Tenant's business, including any personal property, equipment, fixtures or real property connected with Tenant's business and for all claims or demands based on damage or destruction of property or based on injury, illness or death of any person or persons, directly or indirectly, resulting from the operation of Tenant's business.

9.02 **TENANT'S OBLIGATIONS.** Tenant shall be liable for, and shall pay prior to delinquency, all obligations, liabilities, costs and expenses of operation of the Premises and management of the Premises, including, but not limited to: salaries and wages, advertising, cleaning expenses, liability and property damage insurance, rentals, telephone, workers' compensation insurance, health insurance, interest, legal and accounting fees, licenses and permits, supplies, FICA taxes, Federal unemployment taxes, state unemployment taxes, fines, penalties, payroll taxes, personal property taxes on property owned by Tenant, lottery payments and receipts, state and federal income taxes, sales taxes, other taxes and licenses, all bank or credit/debit service or process charges or fees or chargebacks related to any sale of merchandise or services other than the RaceTrac Gasoline, as well as any other expenses incurred in connection with or

in any way related to the operation of the Premises or to the performance of Tenant's services and satisfaction of Tenant's obligations hereunder and under the Lease.

**9.03 ACCESS.** Landlord and Landlord's agents will have, at all times, and hereby reserve, unobstructed access during the Lease Term, any extensions of the Lease Term, any holdover period, and in each case for a reasonable period thereafter, to and upon the Premises, including without limitation the Gasoline Dispensing Equipment and the areaof the Premises designated for gasoline fueling, and such additional areas as are necessary in Landlord's sole discretion, for inspection of the Premises to ensure compliance with the terms of this Lease, and/or for the delivery of gasoline and the installation, maintenance, repair, replacement and operation of the Gasoline Dispensing Equipment.

**9.04 INTRANET.** In the event that Landlord establishes an internal network for Landlord and Tenant and other franchisees of Landlord to communicate, Tenant must buy and install the necessary equipment and electronic connection in order to be able to receive and send messages between Landlord and Tenant. Relative to any such intranet, Tenant mustfollow any and all standards, restrictions, protocols, security precautions, privacy policies and procedures established now and in the future by Landlord.

**9.05 TENANT'S COMPLIANCE WITH LAWS AND APPLICABLE CONVENIENCE STORE SECURITY ACTS.** Tenant shall not use, permit to be used, or permit anything to be done in or about all or any portion of the Premises which will in any way violate any laws, statutes, ordinances, rules, orders or regulations duly issued by any governmental authority having jurisdiction over the Premises. Without limiting the foregoing, if Tenant's business qualifies as a convenience store, the conduct of Tenant's convenience store business will be in strict compliance with all laws, ordinances, and regulations of governmental authorities, including if applicable and without limitation, Florida's Convenience Store Security Act and any other such statute, rule, or ordinance relatingto the operation and/or security of convenience stores. For the avoidance of doubt, it will be Tenant's sole responsibility to provide adequate security and to keep the Premises safe for Tenant's employees and businessinvitees.

**9.06 FINANCIAL INFORMATION.** ANY OF THE FOLLOWING REPORTS REQUIRED FROM TENANT SHALL BE SUBMITTED TO LANDLORD IN ELECTRONIC FORMAT DELIVERED TO THE FOLLOWING EMAIL ADDRESS: RaceWayPercentRent@racewaystores.com

(a) Daily Point of Sale Data. Landlord reserves the right to electronically obtain information regarding any and all sales and/or cash flow from the Premises, and Tenant hereby consents to same.

(b) Sales and Personal Property Tax Returns. Tenant shall provide to Landlord a copy of any and all monthly, quarterly and/or annual sales and/or personal property tax returns filed with any local or State authority, within five (5) business days following the date Tenant has submitted the same to such authority.

(c) Monthly Gross Sales Reports Due to Landlord. Upon demand from Landlord, Tenant shall provide Landlord with a statement warranting and certifying to be a true, complete and correct statement setting forth Gross Sales for the calendar month being reported. Tenant acknowledges and agrees that Landlord may obtain Tenant's reports of Gross Sales directly through the point of sale system, and in such event, Tenant may only be required to provide a report certifying and warranting the Gross Sales with respect to any additional sales occurring on the Premises outside such point of sale system, which report shall be provided to Landlord not later than five (5) business days following the last day of the calendar month in which such sales occurred.

(d) Quarterly Reports Due to Landlord; Required Accounting Services. Not later than sixty (60) days following the end of the first full calendar quarter of Tenant's operation on its Business at the Premises, and thereafter on the schedule set forth below during the Lease Term, Tenant shall provide to

Landlord Tenant's most current quarterly financial and/or year-end financial statements (including if and as requested, an annual balance sheet, a profit/loss statement, and statement of cash flow), as well as Tenant's most current quarterly Lotto, Lottery and EBT reports. All of the foregoing reports shall be certified to be true and correct by an officer of Tenant or a Certified Public Accountant. Any failure by Tenant to comply with the foregoing shall immediately incur a charge of \$500.00.

<u>Period of Reporting</u>	<u>Report Due Date</u>
January - March	May 31
April-June	August 31
July – September	November 30
October - December	February 28

If this is your first RaceWay franchise, you will be required to use accounting services provided by a designated third-party provider for at least the first twenty-four (24) months your Business is open and operating. We have agreed to be responsible for all fees associated with this service during the twenty-four (24) month period. After the twenty-four (24) month period, you may seek our consent to use different accountants, which consent we will not unreasonably withhold. We may, but need not, approve your request if we are satisfied that the accounting service provider is capable of providing the required reports and other financial information we require and otherwise complying with our accounting and financial reporting standards. However, if we are already aware of the accountants you intend to select and we are satisfied that they will be able to provide the necessary accounting and financial reporting services consistent with our minimum standards, we will provide our consent without your need to make a formal request for our consent.

(e) **Audits.** Landlord has the right to audit, examine, and make copies of or extract information from the bank accounts, books of account and records maintained by Tenant or Tenant's accountant, or other representatives and Tenant shall make the same available to Landlord for inspection. Notwithstanding any contrary provision herein, any intentional, willful or negligent misstatement or misrepresentation contained in any financial reporting made to Landlord shall be an immediate Default hereunder.

(f) Landlord shall also have the right from time to time to request from Tenant evidence of (i) the source of any capital or financial support given, or investment made in or to, Tenant or Tenant's business operations on the Premises, (ii) all persons or entities having an ownership interest in Tenant, or (iii) such other information necessary to ensure compliance with the requirements of this Lease, including without limitation, Section 2.06 or Article 7 above.

(g) In the event of any misstatement or misrepresentation in any financial information or reports or sales reports provided to Landlord as required herein, including any statement of Gross Sales, Landlord shall have the right to collect from Tenant the total of any out of pocket costs incurred by Landlord as a result thereof, plus the cost of any audit or other inspection of such records, and a fine equal to fifteen percent (15%) of the total amount of the discrepancy.

**9.07 SUBORDINATION.** Landlord will have the right at any time to encumber any portion of the Premises with one or more mortgages, deeds of trust, security interest, sale and leaseback or similar interest, all of which are declared to be superior to the interest Tenant have under this Lease, in the same manner and to the same extent as if this Lease had been executed subsequent to the execution, delivery and recording of the instrument evidencing that interest. The subordination of this Lease to any interest Landlord has will be automatic and self-operative. Tenant will, on demand, at any time or times, execute and deliver to Landlord any and all instruments that may be necessary or proper to evidence the subordination of this Lease and all rights under this Lease to any interest of Tenant's. In the event any lender succeeds to the interest Landlord has under this Lease, this Lease may, at the lender's discretion,

automatically terminate upon such event.

9.08 **MARKS.** Tenant shall have a non-exclusive license to use certain trademarks, service marks and other commercial symbols associated with RaceTrac Gasoline as is set forth in that certain Franchise Agreement.

9.09 **BILLBOARDS.** Notwithstanding anything contained in the Lease or the GSA to the contrary, Landlord, in Landlord's sole and absolute discretion, will have the right to contract for one or more off-site billboards advertising the operations conducted on the Premises (a "Billboard"), provided further that nothing contained in this Lease will require Landlord to obtain any Billboards. Should Landlord contract for such Billboard, and/or change or terminate use of any Billboard, which in either case, Landlord may do so at any time in Landlord's sole and absolute discretion without Landlord's consent, there will be no increase or reduction in Rent payable by Tenant to Landlord resulting from the addition or deletion of any Billboard. Landlord shall also have the right to grant licenses or easements over the Premises to third parties for the installation, use and maintenance of billboards, cell towers or similar uses, so long as the same do not interfere with Tenant's use of the Premises, and Landlord shall have no liability or obligation to Tenant with respect to same.

9.10 **LANDLORD'S CONSENT.** Whenever Landlord's prior written consent, approval or authorization is required under the terms of this Lease, except as otherwise expressly provided herein, Landlord may grant or withhold Landlord's consent in Landlord's sole and absolute discretion. For purposes of this Lease, Landlord's written consent, approval or authorization is effective only if signed by Landlord's Chief Executive Officer, Chief Brand Officer, or Chief Legal Officer, or the Vice President of Raceway Operations, except as otherwise expressly provided herein.

9.11 **PRIME LEASE.** If Landlord's interest in the Premises is as a lessee under a lease from a third party (the "Prime Lease"), then (a) Landlord will, upon request, deliver a copy of the Prime Lease to Tenant (provided, Landlord reserves the right to redact from such copy any financial or other information so long as the same does not affect Tenant's rights or obligations under this Lease), and (b) Tenant will cooperate with Landlord to ensure compliance with all terms and conditions of the Prime Lease. If the Prime Lease expires or otherwise terminates for any reason, then the Lease Term of this Lease (if not previously terminated) will, without penalty or liability to Landlord, terminate upon Landlord's loss of right to possession of the Premises under the Prime Lease. This Lease is hereby subject and subordinate to any Prime Lease and the rights of the lessor thereunder, and any default by Tenant of any of the obligations of the "tenant" or "lessee" under the Prime Lease shall constitute a default hereunder (except that Tenant will not be required to pay rent to the landlord under the Prime Lease). Landlord will not be liable for any resulting loss or claim of Tenant's if Landlord are unable to enforce Landlord's rights under the Prime Lease, or due to the termination of the Prime Lease for any reason whatsoever.

9.12 **LANDLORD'S RIGHT TO SELL.**

(a) Landlord may at any time, in Landlord's sole and absolute discretion, without notice to or consultation with Tenant, sell, lease, convey, include as part of a sale-leaseback transaction, encumber or otherwise dispose of or transfer any and all right, title and interest, in whole or in part, that Landlord may have in the Premises (collectively, a "Disposition") and will not be liable to Tenant for any loss, damage, injury or claim of any kind arising from the Disposition, including any loss, direct or indirect, consequential or unforeseen, which Tenant may suffer as a result of termination of this Lease, as a consequence of the Disposition.

(b) Except as provided in subparagraph (c) below, unless Landlord provides written consent to extend or continue this Lease and/or any purchaser or assignee of Landlord's rights hereunder provided written assumption of this Lease, then any Disposition will instantaneously serve as an automatic and

immediate termination of this Lease and there will be no remedy available to Tenant under this Lease or by operation of law, equity or otherwise, for restraintor damages as a result of such termination.

(c) Notwithstanding any contrary provision herein, if Landlord or any entity controlling, controlled by, under common control with Landlord, retains an ownership or leasehold interest in the Premises following a Disposition (a “**Related Party Disposition**”), this Lease shall not be deemed automatically terminated, but may be terminated by Landlord upon written notice to Tenant in connection with such Related Party Disposition, and if not so terminated shall be subject and subordinate to any lease or operating agreement entered into between any then owner of the Premises and any Landlord Party and/or Tenant will attorn to any new lessor, provided the new lessor recognizes this Lease.

(d) Landlord will use good faith efforts to notify Tenant at least 90 days prior to any Disposition that will result in a termination of this Lease. The parties agree that this Section 9.12(d) is not subject to Section 2.09 above.

(e) Upon any Disposition, Landlord will be entirely relieved of all obligations under this Lease.

9.13 **RECORDING OF LEASE.** Tenant will not record this Lease without Landlord’s prior written consent; however, upon Landlord’s request, Tenant will execute a memorandum or “short-form” of this Lease for the purpose of recordation. The memorandum or short form of this Lease will describe the parties, the Premises and the term of this Lease and will incorporate this Lease by reference. Landlord will have the right but not the obligation, in Landlord’s sole and absolute discretion, to record in the public records, a memorandum of lease relating to this Lease. The memorandum will be in a form and substance as may be determined by Landlord in Landlord’s sole and absolute discretion.

9.14 **FORWARDING OF NOTICES.** Tenant will forward to Landlord within twenty-four (24) hours of Tenant’s receipt, a copy of any and all correspondence, notices, lawsuits, citations, summons, liens, instruments or other writings of any nature delivered or mailed to Tenant, Landlord or the Premises with respect to any lien, claim or demand against Tenant, Landlord or the Premises, or in any way related to the condition of the Premises, the use or occupancy of the Premises by Landlord or Tenant, or with respect to zoning, taxes, applicable laws and regulations or condemnation which may directly or indirectly have an effect on the Premises, Tenant, Landlord or Landlord’s or Tenant’s interest in or operation of the Premises.

## **ARTICLE 10** **INDEMNIFICATION AND RELEASE**

10.01 **RELEASE.** Tenant hereby releases and forever discharges the Landlord Parties from any and all losses, damage, injuries, claims, demands, rights and causes of action, including, without limitation, the assertion of any cause of action sounding in fraud, breach of contract, misconduct, undue influence, breach of fiduciary duty or negligence, or the assertion of any rights as a franchisee (collectively and individually, the “**Claims**”) which may befall or accrue to Tenant arising out of or in any way connected with the following: (a) Landlord’s exercise of Landlord’s right to terminate this Lease to the extent provided herein; (b) Landlord’s exercise of any other right under this Lease, including, but not limited to, termination of operation or removal of the Gasoline Dispensing Equipment or non-delivery of gasoline to the Premises or the installation of any Landlord Reserved Equipment or provision of any Landlord Reserved Services; (c) Landlord’s refusal to renew this Lease; (d) Landlord’s refusal to allow Tenant to purchase the Premises; (e) Landlord’s refusal to reimburse Tenant for any investment or improvements made by Tenant in the Premises or in Landlord’s business (except as expressly set forth herein); (f) Landlord’s refusal to approve any assignee or subtenant; (g) Tenant’s inability to sell Tenant’s merchandise, equipment, signs, trade fixtures and other tangible property; (h) Landlord’s removal or disabling of the Special Equipment, any Landlord Reserved Equipment, or the Gasoline Dispensing

Equipment; (i) Landlord's refusal to approve financing or financing subordination requested by Tenant; (j) bodily injury, death of any person, or damage to real or tangible, personal property resulting from the willful, fraudulent or negligent acts or omissions of Tenant; or (k) claims brought by Tenant's employees resulting from the willful, fraudulent or negligent acts or omissions of Tenant. In addition, Tenant agrees that Tenant will not institute any action at law or in equity against any of the Landlord Parties on account of any of the Claims, and further agrees to defend, indemnify and hold harmless the Landlord Parties from and against any claim by Tenant or by any successor or assign of Tenant's or by any person or entity claiming through Tenant arising out of or in any way connected with the Claims. As used in this Section 10.01, the term "Tenant" will mean Tenant in any capacity, including without limitation, as lessee under this Lease, or as a party to any other agreement with Landlord; and the term "Landlord" will mean Landlord in any capacity, including without limitation, as lessor under this Lease or as a party to any other agreement with Tenant.

10.02 **WAIVER OF PUNITIVE DAMAGES.** EXCEPT WITH RESPECT TO TENANT'S INDEMNIFICATION OBLIGATION PURSUANT TO SECTION 10.03 FOR CLAIMS OF OTHERS SEEKING TO RECOVER PUNITIVE OR EXEMPLARY DAMAGES, AND EXCEPT FOR CLAIMS FOR UNAUTHORIZED USE OF THE MARKS OR MISAPPROPRIATION OF ANY CONFIDENTIAL INFORMATION, OR FOR LOST PROFITS BY LANDLORD ARISING OUT OF TENANT'S DEFAULT OF THIS LEASE AS SET FORTH IN ARTICLE 8, TENANT AND LANDLORD WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THE PARTIES, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES HE, SHE, OR IT SUSTAINS.

10.03 **INDEMNITY.** TENANT WILL INDEMNIFY AND HOLD HARMLESS THE LANDLORD PARTIES FROM AND AGAINST ANY AND ALL CLAIMS, LEGAL ACTIONS, JUDGMENTS, DAMAGES, ATTORNEYS' FEES, COSTS AND EXPENSES OF LITIGATION, AND ANY AND ALL OTHER EXPENSES WHICH ANY OF THE LANDLORD PARTIES MAY SUFFER OR INCUR OR WHICH MAY BE CLAIMED OR ALLEGED AGAINST ANY OF THE LANDLORD PARTIES BY ANY PERSON OR ENTITY, INCLUDING THE TENANT PARTIES OR THEIR INSURERS, ARISING OUT OF OR IN ANY WAY RELATED TO THE PREMISES OR ANY PORTION THEREOF (INCLUDING THE BUILDING, PARKING LOT AND/OR DRIVEWAYS RELATED THERETO), TENANT'S USE OF THE PREMISES OR TENANT'S FAILURE TO COMPLY WITH ANY PROVISION OF THIS LEASE OR ANY OTHER DEFAULT UNDER THIS LEASE, OR TO ANY ACT OCCURRING ON THE PREMISES OR ANY PORTION THEREOF (INCLUDING THE BUILDING, PARKING LOT AND/OR DRIVEWAYS RELATED THERETO), OR TO ANY ACT OR OMISSION WITH RESPECT TO THE OPERATION OF ANY BUSINESS BY TENANT ON THE PREMISES, OR TO THE OCCUPANCY OR USE OF THE PREMISES BY TENANT, OR TO ANY NEGLIGENCE OR WILLFUL MISCONDUCT BY TENANT, OR TO TENANT'S FAILURE TO COMPLY WITH ANY APPLICABLE LAW OR REGULATION, OR TO ANY ACTION TAKEN OR OMITTED BY LANDLORD AT TENANT'S REQUEST, OR TO ANY ACTION TAKEN OR OMITTED BY LANDLORD AS PERMITTED UNDER THIS LEASE. TENANT EXPRESSLY AGREES THAT TENANT ASSUMES THESE INDEMNITY OBLIGATIONS WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OF THE OBLIGATIONS AND WHETHER OR NOT THE LIABILITY, CLAIM, DEMAND, LOSS, COST OR EXPENSE ARISES FROM THE ACTS OR OMISSIONS (INCLUDING THE JOINT, CONCURRENT, OR SOLE NEGLIGENCE) OF ANY OF THE LANDLORD PARTIES AND REGARDLESS OF WHETHER LIABILITY OR FAULT IS IMPOSED ON ANY OF THE LANDLORD PARTIES. FOR PURPOSES OF THIS INDEMNIFICATION, ALL CLAIMS AND EXPENSES WILL INCLUDE WITHOUT LIMITATION ALL LOSSES, LIABILITIES, OBLIGATIONS, DEMANDS, ACTUAL AND CONSEQUENTIAL DAMAGES, PUNITIVE AND EXEMPLARY DAMAGES, TAXES, FEES, PENALTIES, ADVERSE

JUDGMENTS AND ANY INTEREST THEREON, COSTS INCURRED IN THE DEFENSE OR INVESTIGATION OF ANY CLAIM, REASONABLE ATTORNEYS' FEES, OTHER EXPERT WITNESS FEES, AND COURT COSTS. EACH OF THE LANDLORD PARTIES WILL HAVE THE RIGHT TO DEFEND ANY CLAIM IN WHICH IT IS NAMED AS A DEFENDANT, AT TENANT'S EXPENSE. THIS INDEMNITY WILL CONTINUE IN FULL FORCE AND EFFECT SUBSEQUENT TO AND NOTWITHSTANDING THE EXPIRATION OR TERMINATION OF THIS LEASE. NEITHER PAYMENT OF A CLAIM NOR AN ADJUDICATION OF LIABILITY ON A CLAIM IS A CONDITION PRECEDENT FOR THE ENFORCEMENT OF THIS INDEMNITY. TENANT WILL ALSO PAY ALL COSTS AND EXPENSES, INCLUDING ACTUAL ATTORNEYS' FEES, WHICH MAY BE INCURRED BY ANY OF THE LANDLORD PARTIES IN ENFORCING ANY OF THE COVENANTS AND AGREEMENTS OF THIS LEASE. FOR PURPOSES OF THIS SECTION 10.03 ONLY, "LANDLORD PARTIES" SHALL INCLUDE ANY LANDLORD OR LESSOR UNDER A PRIME LEASE (IF APPLICABLE).

10.04 **CLASS ACTION WAIVER.** IN ANY DISPUTE, NEITHER TENANT NOR ANY OTHER PERSON SHALL BE ENTITLED TO JOIN OR CONSOLIDATE CLAIMS BY OR AGAINST OTHER AFFILIATES OR PERSONS, OR LITIGATE ANY CLAIM IN A REPRESENTATIVE CAPACITY, AS A CLASS OR COLLECTIVE ACTION, OR IN A PRIVATE ATTORNEY GENERAL CAPACITY. TENANT HEREBY ACKNOWLEDGES THAT TENANT IS GIVING UP RIGHTS TO PARTICIPATE IN A CLASS ACTION OR REPRESENTATIVE ACTION WITH RESPECT TO ANY SUCH CLAIM. NEITHER THE COURT, NOR ANY ARBITRATOR SHALL HAVE THE AUTHORITY TO HEAR OR RESOLVE ANY CLAIMS BROUGHT BY TENANT EXCEPT CLAIMS BROUGHT IN TENANT'S INDIVIDUAL CAPACITY.

## **ARTICLE 11** **DISPUTE RESOLUTION**

### **11.01 DISPUTE RESOLUTION.**

(a) Tenant and Landlord agree that all judicial actions brought by one party against the other, or its respective owners, officers, directors, agents, or employees, must be brought exclusively in the state courts in Cobb County, Georgia or the United States District Court for the Northern District of Georgia, Atlanta Division. The courts specified in this paragraph shall have exclusive jurisdiction over all disputes, and venue shall lie in Cobb County/Atlanta Division, and shall be determined according to Georgia law, without regard to the jurisdictional, venue, or choice of law provisions of any state or territory other than Georgia. Tenant irrevocably submits to the jurisdiction of such courts and waives any objection Tenant may have to either jurisdiction or venue. Notwithstanding the foregoing, Landlord may bring an action for a temporary restraining order or for temporary or preliminary injunctive relief in any federal or state court in the state in which Tenant resides or the Premises is located. The parties agree that any legal proceeding between Landlord and Tenant will be conducted on an individual basis, and not on a joint, collective, or class-wide basis, and that a legal proceeding between Landlord and its affiliates, and Landlord and such affiliates' respective owners, officers, directors, agents and/or employees, and Tenant (and/or its owners, guarantors, affiliates and/or employees) may not be consolidated or joined with any other judicial proceeding between Landlord and any other person. No claim by either party hereunder shall be subject to any legal proceeding conducted pursuant to the Lease.

(b) EXCEPT FOR CLAIMS ARISING FROM TENANT'S NON-PAYMENT OF AMOUNTS DUE UNDER THIS LEASE, THE PARTIES AGREE THAT NOTWITHSTANDING ANY STATUTE OF LIMITATION EXISTING UNDER APPLICABLE LAW, ANY DISPUTES, CLAIMS, OR OTHER CAUSES OF ACTION BROUGHT BY ANY PARTY UNDER THIS LEASE, OR ANY OTHER AGREEMENT BETWEEN TENANT AND LANDLORD, MUST BE INSTITUTED NOT LESS THAN TWO (2) YEARS FROM THE DATE SUCH CLAIM, DISPUTE, OR CAUSE OF

ACTION ARISES OR ACCRUES (WHETHER KNOWN OR UNKNOWN TO THE CLAIMANT AT SUCH TIME), AND THE PARTIES HEREBY WAIVE ANY STATUTES OF LIMITATION TO THE CONTRARY.

(c) LANDLORD AND TENANT IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER LANDLORD OR TENANT. LANDLORD AND TENANT EACH ACKNOWLEDGE THAT LANDLORD AND TENANT MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.

(d) Landlord will be entitled to recover from Tenant all of Landlord's costs and expenses, including Landlord's actual attorneys' fees (including allocable costs of in-house counsel), incurred in successfully prosecuting or defending anylawsuit brought by or against Tenant related to, or in any way arising from, this Lease, or the GSA, or the Franchise Agreement, or any other agreement between Tenant and Landlord, or in obtaining any judgment, order or injunctive reliefagainst Tenant.

## **ARTICLE 12** **MISCELLANEOUS**

12.01 **FORCE MAJEURE**. Whenever a period of time is provided in this Lease for either party to do or perform any act or thing, except the payment of monies, neither party will be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, war, governmental regulation or control or other causes beyond the reasonable control of the parties, and in any event said time period for the performance of an obligation under this Lease will be extended, but only for the amount of time of the delay. This clause will not result in an extension of the Lease Term.

### **12.02 GENERAL.**

(a) The captions of the sections of this Lease are inserted for convenience only and will not be used in construing the intent of the parties.

(b) If any part of this Lease will be invalid or unenforceable under applicable law, that part will be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts of such provisionor the remaining provisions of this Lease.

(c) This Lease will bind and inure to the benefit of the parties, their successors, legal representatives, heirs and permitted assigns.

(d) Time is of the essence in the performance of Tenant's duties and obligations under this Lease.

(e) This Lease, together with attached Exhibits, Riders and Schedules constitutes the entire understanding between the parties and supersedes and cancels all previous agreements between the parties with respect to the Premises, except with respect to any prior sale of any part of the Premises from Tenant to Landlord or any lease between Tenant, as lessee, and Landlord, as lessor.

(f) No obligations of Landlord will be implied in addition to the obligations expressed in this Lease.

(g) This Lease cannot be amended or changed orally. This Lease can only be changed or amended by an agreement in writing signed by both parties.

(h) This Lease shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of Georgia. Notwithstanding anything herein to the contrary and notwithstanding any principle of state or common law to the contrary, this Lease constitutes a usufruct only, and not an estate for years.

12.03 **NOTICES OR DEMANDS**. Except for legal process which may also be served as by law provided, all notices required or desired to be given with respect to this Lease shall be in writing and shall be deemed to have been "received" by the receiving party when addressed as follows and either (a) actually received or refused if hand delivered or sent by certified mail, return receipt requested, (b) on the next business day if sent by nationally recognized overnight receipted courier service, or (c) on the date of confirmed fax transmission, if a duplicate copy shall have been sent by either method described in (a) or (b), and shall be addressed as follows (provided that all notices delivered to Tenant at the Premises will be deemed sufficient for purposes of this Lease):

Tenant  
(street address and P.O. Box, if applicable)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Fax: \_\_\_\_\_

Landlord

RaceTrac, Inc.  
200 Galleria Parkway SE, Suite 900  
Atlanta, Georgia 30339  
Attention: Vice President – Raceway  
Fax: (678) 305 7730

With copy by First Class U.S. Mail to:

RaceTrac, Inc.  
200 Galleria Parkway SE, Suite 900  
Atlanta, Georgia 30339  
Attention: President

With additional copy to:

RaceTrac, Inc.  
200 Galleria Parkway SE, Suite 900  
Atlanta, Georgia 30339  
Attention: Chief Legal Officer

Either party may, by written notice to the other party, change the address to which notice will be delivered.

12.04 **CONFIDENTIALITY**. The terms and conditions of this Lease are confidential and will not be disclosed by Tenant to any third party without Landlord's prior written consent, and no public statements or announcements will be issued by Tenant relating to this Lease without Landlord's prior written consent, provided that nothing herein will prevent either party from supplying such information or making such statements or disclosures relating to this Lease before any competent governmental authority, court or agency, or as such party may consider necessary in order to satisfy its obligations under applicable laws, regulations or generally accepted accounting principles, including, without limitation, statements or disclosures to the party's attorneys, accountants or other professional advisors.

12.05 **NO THIRD PARTY BENEFICIARIES.** Nothing contained in this Lease is intended to or will confer any rights or benefits upon or to any party other than Tenant, Landlord, the Tenant Parties and the Landlord Parties, in each case as contemplated herein.

12.06 **PATRIOT ACT.** Tenant represents and warrants to Landlord that Tenant, the Tenant Parties, any persons or entities that own any interest in Tenant or any Tenant Parties (if applicable), and all of the officers, directors, managers and members of Tenant and the Tenant Parties (if applicable) are not persons or entities with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (“OFAC”) of the Department of the Treasury (including those named on OFAC’s Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including Executive Order 13224 signed on September 24, 2001 and entitled “Blocking Property and Prohibiting Transactions with Person Who Commit, Threaten to Commit, or Support Terrorism”), or other governmental action. Notwithstanding anything to the contrary in this Lease, Tenant may not allow, effect or sustain any transfer, assignment or other disposition of this Lease to a “Specially Designated National or Blocked Person” (as defined below) or to an entity in which a Specially Designated National or Blocked Person has an interest. For the purposes of this Lease, “Specially Designated National or Blocked Person” means: (i) a person or entity designated by OFAC (or any successor officer agency of the U.S. government) from time to time as a “specially designated national or blocked person” or similar status; (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 24, 2001; or, (iii) a person or entity otherwise identified by any government or legal authority as a person with whom Tenant (or any Tenant Parties) or any of their respective owners or affiliates are prohibited from transacting business. Tenant further agrees that Tenant will not hire, retain, employ or otherwise engage the services of any individual or entity in contravention of the Patriot Act; any law, rule or regulation pertaining to immigration or terrorism; or, any other legally prohibited individual or entity. Without limiting any of the foregoing, Tenant shall comply with all relevant anti-money laundering laws and regulations, including without limitation the Bank Secrecy Act, as amended.

12.07 **NO LIENS.** Without limiting the terms of Section 4.03, Article 5 or any other restrictions on Tenant’s ability to make alterations to, or construct improvements upon, the Premises, Tenant shall have no right or authority to create any liens upon Landlord’s interest in the Premises (including, without limitation, liens arising in connection with the furnishing of labor or materials, or from Tenant’s failure to pay personal property (or other) taxes or amounts for which Tenant is obligated to pay), and all persons contracting with Tenant for alterations and repairs thereof, and all materialmen, contractors, mechanics and laborers are hereby charged with notice that they must look solely to Tenant and in no event to Landlord for the payment of any bill for work done or materials furnished by or on behalf of Tenant. In the event any liens arise in violation of this Section, then, without limiting Landlord’s remedies hereunder, Landlord may immediately utilize the Security Deposit to pay such liens (and underlying amounts).

12.08 **PCI COMPLIANCE.** Tenant acknowledges and agrees that it is responsible for securing payment card data (“**Payment Card Data**”) and that the following provisions shall apply:

(a) **Obligation to Comply.** Tenant shall comply with (i) the Payment Card Industry Data Security Standards (including the payment application data security standards), as amended or updated from time to time (the “**PCI Security Standards**”) and (ii) the requirements set forth herein for the handling of Payment Card Data and any such related obligations as reasonably requested by a Processor (as defined in the GSA) or Landlord from time to time.

(b) **Restrictions on Use.** Tenant acknowledges and agrees that Payment Card Data may only be used for assisting in completing a card transaction, for fraud control services, for loyalty programs, or as otherwise permitted by Landlord. Tenant shall handle all Payment Card Data in accordance with the PCI Security Standards, any Processor requirements, and applicable law.

(c) Payment Card Data Security Incident. In the event of a security incident with respect to Payment Card Data processed at or for Landlord, Tenant shall promptly provide Landlord or its Processor and/or designee, (e.g., Visa, MasterCard, American Express, Discover), and the issuing financial institution and their respective designees access to the facilities and all pertinent records of Tenant to conduct a review of Tenant's compliance with the requirements set forth in this Section. Tenant shall cooperate fully with any reviews of their facilities and records provided for in this paragraph. Tenant agrees to keep confidential any breach of security involving Payment Card Data.

**12.09 SURVIVAL.** The terms and provisions of the following Sections shall survive the expiration of the Lease Term or any earlier termination of this Lease and shall continue in full force and effect subsequent to, and notwithstanding such expiration or termination, until they are satisfied in full or by their nature expire: Sections 2.03(g), 2.06, 2.07, 2.08, 3.01, 3.03, 3.04, 3.05, 5.02, 5.03, 5.07, 6.05, 9.02, 9.05, 9.06, 9.08, 9.14, 12.04, 12.07, 12.08, Articles 10, 11, and 13, and any other sections that, as required by context, are intended to so survive.

## **ARTICLE 13** **TENANT'S ACKNOWLEDGMENTS**

**13.01 ACKNOWLEDGMENTS.** WITHOUT LIMITING THE OTHER TERMS AND CONDITIONS OF THIS LEASE, TENANT SPECIFICALLY ACKNOWLEDGES AND FURTHER AGREES THAT:

(a) There are inherent risks in the operation of a business at the Premises and Tenant is willing and able to bear such risks, including, without limitation, the loss of any and all investment of any kind or profit in the Premises or in the business upon termination of this Lease, cessation of gasoline delivery to the Premises, termination of operation or removal of the Gasoline Dispensing Equipment or any Special Equipment;

(b) Landlord has no obligation to sell the Premises to Tenant and Tenant does not have any option, first right of refusal or other right of any nature, to purchase the Premises;

(c) Landlord, in its sole discretion and whether or not Tenant is in default hereunder, may refuse to deliver gasoline to the Premises, or remove or disable the Gasoline Dispensing Equipment, at any time, and shall have no obligation to reimburse Tenant for any losses of any kind whatsoever which Tenant might suffer as a result thereof, including, but not limited to, the loss of the business operated on the Premises, and Tenant shall not be relieved of any obligations under the Lease or GSA;

(d) Upon termination of this Lease, Landlord will have the right to use the Premises as Landlord deems appropriate, including, but not limited to, selling the Premises, leasing the Premises to a new operator, operating a gas station or convenience store with Landlord's own employees or with another lessee, or any other business, upon the Premises, discontinuing the operation of any business on the Premises, or converting the Premises to any other use Landlord deems appropriate;

(e) Except as expressly set forth herein, Landlord has no obligation to purchase any of Tenant's merchandise, equipment, signs, other tangible property or trade fixtures, or to reimburse Tenant for any investment of any kind made by Tenant in the Premises or the business operated by Tenant on the Premises;

(f) Upon termination or expiration of this Lease, Landlord will not be liable to Tenant for any compensation or damages of any kind. Also, Landlord will not have any obligation to reimburse Tenant for any losses which Tenant may claim in connection with or arising from the operation of Landlord's business at the Premises, the sale or transfer by Tenant of the business conducted by Tenant

at the Premises or the termination of this Lease, including, but not limited to, reimbursement for investment in fixtures, equipment, signs, merchandise or any other tangible or intangible assets of any kind, any other expenditures made by Tenant, loss of profit, loss of goodwill or any special, punitive, indirect, incidental or consequential damages of any kind, except as otherwise expressly provided herein;

(g) Tenant represents and warrants that Tenant is knowledgeable in the operation of a gas station and/or convenience store and are familiar with all federal, state and local laws related to that type of business, including but not limited to, laws relating to (i) the sale of goods below cost, and (ii) emergency price controls that become effective during any natural disaster or authorized state of emergency, and agrees during the Lease Term to remain in compliance with same.

**13.02 NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.** The following provision applies only to franchisees and Franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the Franchise.

[signatures on next page]

IN WITNESS WHEREOF, the parties, or their authorized representatives or officers, have signed, sealed and delivered this Lease as of the day and year first stated above.

US: **RACETRAC, INC.**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

YOU (If an individual(s)):

\_\_\_\_\_ (Seal)

\_\_\_\_\_ (Seal)

YOU (If an entity):

Entity name: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

## **RIDER NO. 1 – GASOLINE SERVICES AGREEMENT**

### **ARTICLE A - PAYMENTS**

All of the capitalized terms used in the GSA shall have the same meaning as set forth in the body of the Lease, unless expressly given a different meaning herein with respect to the terms and conditions of GSA.

A.1 Tenant shall receive, as compensation for the obligations of Tenant hereunder, “Base Compensation” in an amount equal to one cent (\$0.01) per gallon of RaceTrac Gasoline sold at retail by Tenant at the Premises, which shall be paid to Tenant by Landlord on a daily basis during the Lease Term.

A.2 Tenant shall also receive from Landlord a “Service Charge Reimbursement” in an amount equal to any and all service or processing fees or charges imposed by credit card or similar providers (collectively “Service Fees”) for the retail sale of the RaceTrac Gasoline, whether made by or through the PAP Equipment, through any wireless application or similar mobile device, or inside the store through the point of sale system, which shall be paid by Landlord directly or reimbursed on a daily, monthly, or other basis as determined by Landlord to Tenant if same have been charged to Tenant (including fifty percent (50%) of any credit card chargebacks to Tenant for fraudulent pay-at-the-pump transactions, unless such chargebacks or fraudulent transactions are due to the negligence or willful misconduct of Tenant in which event no reimbursement shall occur), but the Service Charge Reimbursement shall not include such charges related to the sale of merchandise or any other sales or services other than the sale of RaceTrac Gasoline. The Service Charge Reimbursement shall be calculated for each individual method of payment category using the following formula: Service Charge Reimbursement = Total Service Fees x (RaceTrac Gasoline Sales (in dollars) ÷ Total Sales at Premises (in dollars)). The total Service Fees shall be provided by the credit card or similar providers, and sales shall come from Tenant’s point of sale system and/or such other reporting sources or mechanisms reasonably selected by Landlord. Tenant and Landlord acknowledge that this method of calculating the Service Charge Reimbursement is an acceptable way to closely estimate Service Fees associated with the sale of RaceTrac Gasoline.

A.3 Landlord reserves the right to modify the date or frequency of payment for the Base Compensation and/or the Service Charge Reimbursement, and/or shall have the right to deduct or offset such amounts from the Rent due hereunder in lieu of making a separate payment for same. Tenant shall not be entitled to any Base Compensation or Service Charge Reimbursement for sales of RaceTrac Gasoline occurring during any period in which the PAP Equipment has been disabled or is otherwise not functioning, for any reason or no reason.

### **ARTICLE B - GASOLINE AND LANDLORD FUNDS**

#### **B.1 GASOLINE DISPENSING EQUIPMENT.**

(a) Landlord reserves the right and Tenant hereby grants to Landlord the right to construct, install, maintain, replace, repair and operate the Gasoline Dispensing Equipment on the Premises. Tenant may utilize the Gasoline Dispensing Equipment during the conduct of Tenant’s business at the Premises in accordance with the terms of this Lease and the GSA, so long as Tenant is not in Default hereunder.

(b) Tenant shall operate the Gasoline Dispensing Equipment for the sale at retail of RaceTrac Gasoline. Tenant shall not sell or permit the sale from the Gasoline Dispensing Equipment or the Premises of any motor fuel other than RaceTrac Gasoline. Landlord has no obligation to cooperate or permit Tenant to operate the Gasoline Dispensing Equipment, and Landlord may lock up and prevent the pumping of fuel from the Gasoline Dispensing Equipment at any time for any reason or no reason.

(c) Tenant represents that it is familiar with and knowledgeable about the operation of the Gasoline Dispensing Equipment and the hazards associated therewith. Tenant is aware of the location and method of operation of the outside emergency cut-off switch and the cashier emergency cut-off switch and will ensure that all of its employees or other operators have been trained with respect to operation of the Gasoline Dispensing Equipment including emergency cut-off switches and emergency response procedures. Tenant shall be solely responsible for ensuring that Class C Operator Training requirements are met as may be required by law while operating the Gasoline Dispensing Equipment. Tenant shall ensure that records demonstrating compliance with Class C Operator Training requirements are made available to Landlord within 72 hours of request. Tenant agrees to undertake any Environmental training provided by or made available by the Landlord including, but not limited to, proprietary Fuel 101 Training.

**B.2 GASOLINE AND DELIVERY.** Title to all gasoline shall remain in Landlord until sold by Tenant. All gasoline shall at all times be subject to the direction and control of Landlord. Tenant shall not make or permit Tenant's employees, agents or representatives to make any representations concerning Landlord, RWV or RaceTrac Gasoline unless such representations have been previously approved by Landlord in writing. Tenant shall notify all of Tenant's creditors that title to all gasoline remains in Landlord. Landlord shall have no obligation to deliver gasoline to the Premises. Tenant shall not, and has no authority to, mortgage, pledge, encumber or hypothecate the RaceTrac Gasoline nor permit or suffer any lien or encumbrance to be fixed or placed on the gasoline. Landlord shall have no liability whatsoever for failure for any reason to provide gasoline for retail sale at the Premises, or for any decline in business, sales or profits at the convenience store located on the Premises in any way related to the delivery, non-delivery or quality of gasoline. Landlord may discontinue the sale of gasoline at the Premises at any time for any reason or no reason in its sole discretion, and shall have the right at all times, without notice, to terminate operation of the Gasoline Dispensing Equipment. Landlord may from time to time replace, remove, move or add to the Gasoline Dispensing Equipment.

**B.3 LANDLORD FUNDS.** Tenant will sell RaceTrac Gasoline at retail prices established by Landlord in Landlord's sole discretion from time to time. All sales of gasoline shall be for cash or credit, debit or other card based transactions in accordance with the Pay at Pump procedures established by Landlord from time to time. Title to the proceeds of all sales by Tenant of gasoline ("Landlord Funds") shall at all times be vested in and belong to Landlord and any possession and control thereof by Tenant shall be as trustee and agent for the use and benefit of Landlord, and Tenant shall not use Landlord Funds for purchases, operating expenses or otherwise. Tenant acknowledges that Tenant owes a duty of trust to Landlord in the collection and safe keeping of all funds collected for such sales of fuel, and acknowledges that Tenant is serving in a fiduciary relationship with Landlord.

**B.4 RECORDS AND REPORTS.** Tenant shall account to Landlord for all gasoline, and record, deposit and tender specified reports and Landlord Funds to Landlord in accordance with procedures established from time to time by Landlord. Tenant shall permit Landlord to inspect and audit RaceTrac Gasoline reports and all records related thereto at any time. If such inspection or audit discloses that actual sales exceed the amount reported or tendered by Tenant to Landlord, then the amount of proceeds of such sales which were not timely reported or tendered to Landlord shall bear simple interest at the greater of eighteen percent (18%) per annum or the highest rate allowed by law from the date such proceeds were to be tendered to Landlord until the date so tendered.

**B.5 LOSSES AND SHORTAGES.** Tenant shall be responsible for any and all loss of Landlord Funds however incurred, including but not limited to losses due to the negligence, willful act or misconduct of Tenant; any and all shortages of Landlord Funds due to miscalculations or mishandling of funds by Tenant during cash exchanges with customers; any and all loss of Landlord Funds due to theft, robbery or burglary while in the possession or control of Tenant; any and all losses of gasoline for any reason after delivery of the RaceTrac Gasoline to the Premises; and any and all shortages of Landlord Funds due to Tenant's failure to collect payment from customers. With regard to any losses or shortages, including but not limited to those mentioned above in this Section, Tenant shall make Landlord whole in cash for any such loss or

shortage within one (1) business day of demand from Landlord for payment.

## **ARTICLE C - CREDIT, DEBIT OR OTHER CARD BASED TRANSACTIONS**

C.1 **THIRD PARTY PROCESSOR.** Landlord, in its sole discretion, shall select third party processor(s) (“**Processor**”) to process any and all credit, debit or other card based transactions (“**Users’ Transactions**”) through the banking network, and Tenant agrees to use the Processor chosen by Landlord. Tenant shall comply with all Processor requirements or regulations and shall be responsible for all fees charged for Users’ Transactions, including, but not limited to, processing fees, charge-backs and interchange fees, but subject to payment to Tenant by Landlord of the Service Charge Reimbursement for such fees related to the sale of RaceTrac Gasoline. Tenant will contract with the Processor(s) and Processor(s) will settle directly with Tenant for Users’ Transactions fees.

C.2 **CREDIT, DEBIT OR OTHER CARD BASED TRANSACTION PROCEEDS.** All funds received from the Processor shall be segregated and deposited by the Processor into a Tenant controlled bank account. Tenant understands that there may be a certain delay between the transaction and the settlement into Tenant’s account. Tenant agrees to release Landlord from any and all claims resulting from settlement delays and any other costs and expenses related to credit or debit transactions including but not limited to any contract breaches or negligence by Processor(s). Notwithstanding anything contained herein to the contrary, Tenant grants Landlord a security interest in all such funds and Landlord shall be entitled to access and monitor Tenant card based transaction data directly from the Processor, to redirect the depositing of funds at any time and for any reason directly from the Processor into a Landlord controlled account, and to withdraw any sums due and owing to Landlord by Tenant from said Landlord controlled account.

C.3 **NON-CARD BASED TRANSACTION PROCEEDS.** In the event the Processor subsequently processes non-card based transactions, the terms of Paragraphs C.1 and C.2 above shall, at Landlord’s election, apply with respect to such transactions.

**I, THE UNDERSIGNED TENANT, HAVE READ THE ABOVE PROVISIONS OF THE GSA AND  
ACKNOWLEDGE MY UNDERSTANDING OF AND AGREEMENT TO BE BOUND BY SAME.**

**TENANT:**

Sign: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

Sign: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

**Schedule 1**

**Ownership/Management Structure of Tenant**

**DISCLOSE BELOW ALL PERSONS/ENTITIES HAVING AN OWNERSHIP OR  
MANAGEMENTINTEREST IN TENANT**

**(WRITE "NONE" IF TENANT IS AN INDIVIDUAL)**

**PARTY**

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**INTEREST/TITLE**

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**Schedule 2**

**Interest in Competing Business**

DISCLOSE BELOW ALL PERSONS/ENTITIES HAVING AN INTEREST IN ANY OTHER CONVENIENCE STORE, RETAIL FUEL STORE, RESTAURANT OR FOOD SALE BUSINESS, COFFEE SHOP, TOBACCO SHOP, LIQUOR OR PACKAGE STORE, OR ANY OTHER COMPETING BUSINESS (WRITE "NONE" IF NONE):

<b><u>PARTY</u></b>	<b><u>BUSINESS NAME, ADDRESS AND TYPE</u></b>	<b><u>TYPE OF INTEREST</u></b>
		(e.g. Owner, Partner, etc.)

_____	_____	_____
_____	_____	_____
_____	_____	_____

**Schedule A**

**APPROVED PURCHASE LIST**

<b><u>Acquisition Date</u></b>	<b><u>Item</u></b>	<b><u>Approved Value</u></b>
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*[LANDLORD TO COMPLETE PRIOR TO LEASE EXECUTION]*

[IF BLANK, TO BE AGREED UPON AFTER LEASE EXECUTION AND ATTACHED TO LEASE VIA AMENDMENT]

Acknowledged by Tenant Initials: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**  
**ELECTRONIC FUNDS TRANSFER FORM**

(See Attached)

**ELECTRONIC FUNDS TRANSFER  
AUTHORIZATION AGREEMENT**

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<b>STORE #</b>	<b>LOCATION</b>		
<b>TENANT</b>	<b>TELEPHONE NUMBER</b>		
<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP</b>

**Tenant hereby authorizes RaceTrac, Inc., for its own account, to initiate electronic funds transfer debit entries to Tenant's deposit account described below, and does further authorize the financial institution described below, to debit such entries to the Tenant's account, for only those amounts reported by said Tenant to RaceTrac, Inc. and its affiliates.**

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<b>Bank Name</b>	<b>Name of Bank Account</b>		
<b>Address</b>	<b>Bank Account Number</b>		
<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Transit ABA#</b>

**This authority shall remain in effect throughout the entire Lease Term and following any expiration thereof or termination of the Lease until such time as RaceTrac, Inc. confirms that Tenant has satisfied all of Tenant's obligations under the Lease (including, without limitation, those relating to surrender of the Premises and payment of all Rent (including, without limitation, Taxes)).**

**AUTHORIZED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.**

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<b>Signature</b>	<b>Title</b>
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**ATTACH A VOIDED CHECK FOR ABOVE ACCOUNT.**

## **EXHIBIT B TO LEASE**

### **SECURITY AGREEMENT**

THIS SECURITY AGREEMENT (the "Security Agreement") is by and between RACETRAC, INC. ("Landlord") and \_\_\_\_\_ ("Tenant"), dated as of the Effective Date of the Lease Agreement ("Lease") and Gasoline Services Agreement ("GSA"; the Lease and GSA hereinafter collectively the "Lease Documents") between the parties.

Contemporaneous with the execution of the Lease Documents, Tenant executed a Franchise Agreement ("Franchise Agreement") with RW Venture Holdings, Inc. ("Landlord's Affiliate") for the right to operate a RaceWay branded motor fuel station and convenience store at the Premises (as defined in the Lease). Landlord, in connection with and as an inducement to executing the Lease Documents with Tenant, may, from time to time, extend credit and/or advance goods and services (including, without limitation, motor fuels and other petroleum products), or provide other benefits to Tenant. In consideration of the benefits arising under the Lease Documents and any extension of credit or loan of goods and services, the Tenant agrees to enter into this Security Agreement to secure the prompt and full repayment of and the strict performance and adherence to all of Tenant's obligations, indebtedness and covenants to Landlord and Landlord's Affiliate whenever and however arising, now and hereafter incurred whether absolute or contingent ("Obligations"). The parties agree as follows:

1. **Grant of Security Interest.** In consideration of the mutual benefits arising under the Lease Documents and in addition to any statutory lien available to Landlord, Landlord (the secured party for purposes hereof) shall have and Tenant (the debtor for purposes hereof) hereby grants to Landlord an express contract lien and a continuing security interest to secure any and all payments owed under (i) the Lease Documents or (ii) the amounts owed under an extension of credit, monies, goods and services for the benefit of Tenant upon:

All of Tenant's assets, wherever located (including, without limitation, at the Premises) whether presently owned or hereafter acquired or arising, and all Proceeds therefrom, including, without limiting the generality of the foregoing, all present and after acquired Goods, including Wares, Inventory and Equipment, Accounts, Contract Rights, Chattel Paper, Deposit Accounts, Instruments, General Intangibles, Investment Property, Leasehold Interests, Letter of Credit Rights, and Documents (as those terms are defined in the Uniform Commercial Code in effect from time to time in the state the premises of the Franchise are located ("UCC")) also including without limitation all accessions to, substitutions for and all replacements, products and proceeds, supporting obligations arising from the sale, rent, lease, casualty loss or other disposition of the foregoing items, including any payments on account of insurance policies by reason of damage to or destruction of any such property insuring any of the foregoing, and including all monies or property of any kind now, or at any time hereafter, in the possession or under the control of Tenant and any transferees or other successors to the Lease Documents, or any bailee of Tenant, and including any books and records of Tenant pertaining to any of the foregoing (the "Collateral").

2. **Representations, Warranties and Covenants.** Tenant represents, warrants, and covenants to Landlord that each of the following is true and will remain true until termination of this Security Agreement and payment in full of all liabilities and agrees with Landlord that:

a. Except upon expiration of the Lease where no default exists in any of Tenant's Obligations to Landlord and except for reasonable replacements from time to time, Tenant shall

not remove any of Tenant's property from the Premises, other than pursuant to the sale thereof in the regular course of business.

b. Tenant warrants and represents that the Collateral subject to the security interest granted herein is not purchased or used by Tenant for personal, family or household purposes.

c. Tenant shall permit Landlord, at Tenant's expense, to inspect and examine the Collateral and to check and test the same as to quality, quantity, value, and condition.

d. Tenant further warrants and represents to Landlord that the lien granted herein constitutes a first and superior lien and that Tenant will not allow the placing of any other lien upon any of the Collateral without the prior written consent of Landlord.

e. Tenant's name below is its true legal name exactly as the same appears on all relevant public records.

f. Tenant is (check only one applicable item and provide the requested information):

i. A \_\_\_\_\_ corporation, \_\_\_\_\_ limited liability company, \_\_\_\_\_ sole proprietor, or \_\_\_\_\_ limited partnership (check appropriate item formed by the filing of documents in the following United States state or territory: \_\_\_\_\_); or

ii. A general partnership, the creation of which did not require the filing of documents in any United States state or territory, the chief executive office of which is located in the State of \_\_\_\_\_, or

iii. A natural person who is a resident of the State of \_\_\_\_\_, or

iv. A non-US entity formed under the laws of the following country: \_\_\_\_\_ (specify form of entity: \_\_\_\_\_).

g. Tenant has good and marketable title to all Collateral and all such Collateral and all of its other properties and assets, real or personal, are subject to no mortgage, pledge, lien or encumbrance whatsoever other than mortgages, pledges, liens or encumbrances that have been specifically approved in writing by Landlord (which approval will be in the sole discretion of Landlord).

h. Tenant has timely filed, or will timely file, all federal, state and local tax returns and other reports that it is required by law to file (for income, sales, employment, excise or any other applicable levies or taxes) and has paid or will pay all taxes and other charges when due. All such returns and reports are true, complete and accurate as of the date thereof and there are no subsequent material occurrences affecting any of them.

i. Tenant will pay on demand any and all fees, costs or expenses (including, without limitation, reasonable attorneys' fees) which may at any time in the future after an Event of Default be incurred by Landlord in protecting, enforcing, increasing, modifying or releasing any of its rights hereunder on any security interest created hereby.

encumbrances excepting only the security interest granted or permitted hereby, and defend the Collateral against all claims and demands of all persons claiming any interest in the Collateral.

k. Tenant will preserve and defend its legal existence and pay all levies, fees, taxes and assessments when due, and will maintain, keep and preserve all of its properties (tangible and intangible) necessary or useful in the proper conduct of its business in good working order and condition, ordinary wear and tear excepted.

l. Tenant will keep and maintain at all times the insurance coverage required by the Lease Documents or any other agreement between the parties.

m. Tenant will notify Landlord immediately of any material information concerning the Collateral, Tenant or its business.

n. Tenant will not: transfer, sell, or assign, or otherwise dispose of all or any part of the Collateral except in the ordinary course of business; permit or suffer any receiver, trustee or assignee for the benefit of creditors to be appointed to take possession of any or all of Tenant's assets; or permit any levy, attachment or distraint to be made and continue effectively for sixty (60) days affecting any of its assets; or violate, breach, or suffer to exist any violation or breach of, any term, condition, warranty, representation or covenant of the Lease Documents.

o. Tenant expressly acknowledges that Tenant does not have any interest in, as applicable, the motor fuel inventory, dispensers and pumps, storage tanks, piping and related containment and monitoring equipment, pay at pump equipment, cash dispensing equipment, card based transaction approval equipment, computer equipment and software, and signage presently located at the Premises, all of which Tenant acknowledges is exclusively owned by Landlord.

p. Tenant covenants and agrees to immediately notify Landlord of any change in the foregoing information, and to provide reasonable advance notification of any anticipated change in such information.

3. **Events of Default.** The failure of Tenant to timely perform its Obligations to Landlord or Landlord's Affiliate (as specified in any note, loan agreement, the Lease Documents, Franchise Agreement or other document or agreement between Tenant and Landlord or between Tenant and Landlord's Affiliate, including but not limited to this Security Agreement) will constitute an "Event of Default" hereunder. Immediately upon and following an Event of Default, Landlord will have the following non-exclusive rights and remedies:

a. All of the rights and remedies of a secured party under the UCC of the state in which the Premises is located, or any other applicable law, all of which rights and remedies will be cumulative and non-exclusive.

b. Any other rights and remedies contained in this Security Agreement, the Lease Documents, the Franchise Agreement and any other related agreement and document relating to Tenant's Obligations.

c. To require Tenant to make available to Landlord, without any obligation on the part of Landlord to pay rent to any party, the Premises or any other place or places where the Collateral is located;

d. To enter (and remain) upon the Premises or any other place or places where the Collateral is located, through self-help and without need for judicial process, without first obtaining any judgment, or giving Tenant any notice or opportunity for a hearing, and without any obligation on the part of Landlord to pay rent to any party so that Landlord may continue the operations at the Premises and/or remove the Collateral to any premises of Landlord or its agent.

e. To require Tenant to assemble the Collateral and make it available to Landlord at a time and place selected by Landlord;

f. To require Tenant to make available to Landlord all premises and facilities of the Tenant for the purpose of Landlord taking possession of the Collateral or for removing or putting the Collateral in saleable form.

g. To sell, assign, lease or otherwise dispose of the Collateral or any part thereof, either at public or private sale, for cash, on credit or otherwise, with or without representations or warranties, at such price and upon such terms acceptable to Landlord, all at Landlord's sole discretion. Landlord may bid or become the purchaser at any such sale if public, free from any right of redemption which is hereby expressly waived by Tenant, and Landlord will have the right at its option to apply or be credited with the amount of all or any part of the Obligations against the purchase price bid by Landlord at any such sale. The net cash proceeds resulting from the collection, liquidation, sale, lease or other disposition of the Collateral will be applied first to the expenses of retaking, holding, storing, processing and preparing for sale, selling,

collecting, liquidating and the like and reasonable attorneys' fees and other expenses incurred by Landlord, and then to the satisfaction of all Obligations, the application as to particular Obligations or against principal or interest to be in Landlord's discretion. Tenant will be liable to Landlord and will pay to Landlord on demand any deficiency that may remain after such sale, disposition, collection or liquidation of the Collateral, and Landlord in turn agrees to remit to Tenant any surplus remaining after all Obligations have been paid in full. If the Collateral requires repairing, maintenance, preparation, or the like, Landlord will have the right, but not the obligation, to repair, maintain or prepare the Collateral for the purpose of putting the Collateral in saleable condition. Landlord will give Tenant ten (10) days prior written notice of the time and place of any sale or other intended disposition of any of the Collateral, except for Collateral that is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market. Tenant acknowledges that such notice is adequate and "reasonable notice" within the meaning of Official Code of Georgia Annotated §§ 11-9-611, 11-9-612(b), or any similar law in any applicable jurisdiction.

h. Tenant hereby appoints Landlord (or any person whom Landlord may from time to time designate), effective upon an Event of Default and continuing thereafter, as its attorney and agent in fact with power to endorse in its name any checks, notes, acceptances, money orders, drafts or other forms of payment or security that may come into Landlord's possession, sign its name on notices of assignment, financing statements, and other public records, or on verifications of account and on notices to customers, to notify the post office authorities to change the address for delivery of their mail to an address designated by Landlord, and to do all things necessary to carry out the terms of this Security Agreement or any related documents. Neither Landlord nor the attorney, if different from Landlord, will be liable for any acts or failure to act, or for any error or judgment or mistake of fact or law. This power, being coupled with an interest, is irrevocable following an Event of Default until all Obligations have been fully paid.

i. The exercise of the foregoing remedies by Landlord shall not relieve or discharge Tenant from any deficiency owed to Landlord or Landlord's Affiliate.

4. Authorization To File Financing Statements; Assurances. Tenant irrevocably authorizes Landlord at any time, and from time to time, to file in any jurisdiction and/or with any authority any financing statement, continuation statement, amendment or other document or certificate, and to take any associated action or actions, pursuant to the UCC or otherwise, in order to confirm, perfect or otherwise effectuate the security interest of Landlord in and to the Collateral. Landlord and Tenant agree that this Security Agreement and the security interest granted herein serve as a financing statement, and a copy or photographic or other reproduction of this Security Agreement may be filed of record by Landlord and have the same force and effect as the original. Within five (5) days after request by Landlord, Tenant hereby agrees to execute such other instruments necessary or desirable in Landlord's discretion to perfect or continue the security interest hereby created. Tenant agrees to pay all costs of Landlord, including, without limitation, reasonable attorneys' fees, costs and charges incurred in connection with the enforcement of any of its rights and remedies hereunder.

5. Bank and Depository Accounts. Tenant covenants and agrees, from time to time at the request of Landlord, to establish and maintain its depository accounts, letters of credit facilities or similar accounts with one or more financial institutions with which Landlord has established control agreements satisfactory to Landlord. Tenant covenants and agrees to deposit and keep all of its cash, and maintain all of its letters of credit, only in accounts that are subject to such control agreements in favor of Landlord.

6. Attorneys' Fees and Costs. Tenant shall pay all of Landlord's reasonable attorneys' fees and costs to enforce the terms of this Security Agreement and all of Landlord's rights and remedies regarding Collateral as provided herein or under applicable law as a result of this Security Agreement.

7. Waivers. Tenant waives: (i) presentment, demand and protest and notice of presentment, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all commercial paper, accounts, documents, instruments, chattel paper and guaranties, at any time held by

Landlord on which Tenant may in any way be liable and hereby ratifies and confirms whatever Landlord may do in this respect; (ii) notice before taking possession or control of the Collateral; and (iii) the benefit of all valuation, appraisal and marshaling laws.

THIS SECURITY AGREEMENT HAS BEEN DELIVERED AT AND WILL BE DEEMED TO HAVE BEEN MADE WITHIN THE STATE OF GEORGIA AND WILL BE INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF GEORGIA IRRESPECTIVE OF THE CHOICE OF LAW PROVISIONS THEREOF. AS PART OF THE CONSIDERATION THIS DAY RECEIVED, TENANT HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN GEORGIA AND WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS BE MADE BY REGISTERED MAIL DIRECTED TO THE ADDRESS STATED BELOW AND SERVICE SO MADE WILL BE DEEMED TO BE COMPLETED UPON ACTUAL RECEIPT THEREOF.

TENANT WAIVES TRIAL BY JURY AND WAIVES ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

TENANT HEREBY ACKNOWLEDGES THAT THE TRANSACTIONS OF WHICH THIS SECURITY AGREEMENT IS A PART ARE COMMERCIAL TRANSACTIONS AS THAT TERM IS DEFINED IN SECTION 11-9-101 ET SEQ. OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, AS AMENDED, AND TENANT HEREBY VOLUNTARILY AND KNOWINGLY WAIVES AND RELINQUISHES ANY AND ALL RIGHTS WHICH IT MAY HAVE UNDER ANY FEDERAL OR STATE LAW OR CONSTITUTIONAL PROVISION TO ANY NOTICE OR HEARING BEFORE ANY ATTEMPT BY LANDLORD TO OBTAIN A PREJUDGMENT REMEDY OTHER THAN ATTACHMENT OR GARNISHMENT AGAINST TENANT IN CONNECTION WITH SUCH TRANSACTION. TENANT ACKNOWLEDGES THAT TENANT MAKES THIS WAIVER KNOWINGLY AND VOLUNTARILY AFTER CONSULTATION WITH TENANT'S ATTORNEY.

8. Concluding Provisions. If any provision of this Security Agreement will be declared illegal or unenforceable, in whole or in part, for any reason whatsoever, the remaining provisions will nevertheless be deemed valid and binding. The waiver of any party of a breach or violation of any provision of this Security Agreement will not operate or be construed as a waiver of any other or subsequent breach or violation hereof. This Security Agreement will be binding upon the parties hereto and their respective heirs, executives, successors and assigns. This Security Agreement, and all exhibits and schedules hereto, set forth the entire understanding of the parties hereto for the subject matter hereof. This Security Agreement may be amended only in a writing signed by all parties hereto. Any notice provided for in this Security Agreement will be deemed delivered if transmitted in accordance with the Notices provision of the Lease. This Security Agreement may be executed in counterparts.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, this Security Agreement shall be effective as of the Effective Date of the Lease.

**LANDLORD:**

**RACETRAC, INC.,**  
a Georgia corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**TENANT:**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT D**

**OPERATIONS MANUAL TABLE OF CONTENTS**

# Operations Manual Table of Contents

## Operations Manual Table of Contents

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Subject	Pages
<b>1. Operations Toolkit</b>  1.1 Service Channel Link – <a href="https://racetrac.servicechannel.com/">https://racetrac.servicechannel.com/</a>  1.2 Service Channel Instructions  1.3 Bank Change Form  1.4 Franchisee Bank Change Form  1.5 Sample Insurance Certificate (COI)  1.6 Customer Service Best Practices  1.7 EMV Chargeback Instructions  1.8 Lottery Setup Guide  1.9 PDI Reporting Guide  1.10 PDI Auto End of Day Process  1.11 Pump Test Procedures  1.12 Fuel Pump Shut-Off Procedures Non-24 Hour  1.13 Service Request Process for Bean 2 Cup  1.14 Bean-2-Cup Job Aid  1.15 Core-Mark  1.16 Coke Freestyle – <b>Web Link</b>	73

<p><b>2. Radiant POS Training- Instructional materials and process guides for your Radiant POS and Radiant Site Manager (RSM)</b></p> <p>2.1 Radiant Site Manager (RSM) Guide Version 7.17</p> <p>2.2 Employee Setup- Clock In Required (<a href="#">Video</a>)</p> <p>2.3 Employee Setup- Clock In Not Required (<a href="#">Video</a>)</p> <p>2.4 Pricebook- Editing Radiant Button (<a href="#">Video</a>)</p> <p>2.5 Pricebook- Creating A New POS Button Profile (<a href="#">Video</a>)</p> <p>2.6 Radiant- Pulling Product Totals and Credit Cards</p> <p>2.7 Radiant- Capture Failure Instructions</p> <p>2.8 Radiant- EMV Chargeback Dispute Process</p> <p>2.9 Radiant- Auto End of Day (EOD) Process</p> <p>2.10 Radiant- Lottery Setup Guide</p>	52
<p><b>3. The RightWay Notebook</b></p> <p>3.1 Introduction</p> <p>3.2 Brand Standards</p> <p>3.3 7 Point Checklist</p> <p>3.4 Shift Duty Checklist</p> <p>3.5 Daily Night Duty – Closing Checklist</p> <p>3.6 Night Duty – Weekly Checklist</p> <p>3.7 On The Go Hustler</p>	10

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**EXHIBIT E**  
**FINANCIAL STATEMENTS**

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Board of Directors  
RW Venture Holdings, Inc.

**Opinion**

We have audited the financial statements of RW Venture Holdings, Inc. (a Georgia corporation) (the "Company"), which comprise the balance sheets as of December 31, 2023 and December 31, 2022, and the related statements of operations, stockholder's equity, and cash flows for the years ended December 31, 2023, December 31, 2022 and December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and December 31, 2022, and the results of its operations and its cash flows for the years ended December 31, 2023, December 31, 2022 and December 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

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

**Responsibilities of management for the financial statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are 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 US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

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

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

*Grant Thornton LLP*

Atlanta, Georgia  
April 19, 2024

**RW Venture Holdings, Inc.**  
**Balance Sheets**  
**For the Years Ended December 31, 2023 and 2022**

	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 12,836,000	\$ 6,897,000
Receivables from affiliates	925,000	174,000
Accounts receivable	120,000	114,000
Prepaid expenses and other assets	<u>120,000</u>	<u>77,000</u>
Total current assets	<u><b>14,001,000</b></u>	<u>7,262,000</u>
Property and equipment	1,495,000	1,488,000
Less: accumulated depreciation	<u>(702,000)</u>	<u>(447,000)</u>
Net property and equipment	<u><b>793,000</b></u>	<u>1,041,000</u>
Total assets	<u><b>\$ 14,794,000</b></u>	<u>\$ 8,303,000</u>
<b>Liabilities &amp; Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 75,000	\$ 50,000
Accrued liabilities	98,000	95,000
Contract liabilities	<u>939,000</u>	<u>274,000</u>
Total current liabilities	<u><b>1,112,000</b></u>	<u>419,000</u>
Noncurrent liabilities:		
Contract liabilities	<u><b>3,072,000</b></u>	<u>690,000</u>
Total noncurrent liabilities	<u><b>3,072,000</b></u>	<u>690,000</u>
Stockholders' equity:		
Common stock, \$0.01 par value, authorized 2,000,000 shares, issued and outstanding 3,242, and 3,241 shares	1,000	1,000
Additional paid-in capital	331,000	328,000
Retained earnings	<u>10,278,000</u>	<u>6,865,000</u>
Total stockholders' equity	<u><b>10,610,000</b></u>	<u>7,194,000</u>
Total liabilities and stockholders' equity	<u><b>\$ 14,794,000</b></u>	<u>\$ 8,303,000</u>

See accompanying notes to financial statements

**RW Venture Holdings, Inc.**  
**Statements of Operations**  
**For the Years Ended December 31, 2023, 2022, and 2021**

	<b>2023</b>	<b>2022</b>	<b>2021</b>
Revenue	<b><u>\$ 5,182,000</u></b>	<b><u>\$ 4,547,000</u></b>	<b><u>\$ 3,696,000</u></b>
Costs and Expenses:			
Operating and administrative expenses	<b><u>1,400,000</u></b>	<b><u>1,587,000</u></b>	<b><u>2,354,000</u></b>
Depreciation expense	<b><u>255,000</u></b>	<b><u>251,000</u></b>	<b><u>169,000</u></b>
Other expense	<b><u>-</u></b>	<b><u>11,000</u></b>	<b><u>-</u></b>
	<b><u>1,655,000</u></b>	<b><u>1,849,000</u></b>	<b><u>2,523,000</u></b>
Net income before taxes	<b><u>3,527,000</u></b>	<b><u>2,698,000</u></b>	<b><u>1,173,000</u></b>
Income tax expense	<b><u>103,000</u></b>	<b><u>66,000</u></b>	<b><u>18,000</u></b>
Net income	<b><u>\$ 3,424,000</u></b>	<b><u>\$ 2,632,000</u></b>	<b><u>\$ 1,155,000</u></b>

See accompanying notes to financial statements

**RW Venture Holdings, Inc.**  
**Statements of Stockholder's Equity**  
**For the Years Ended December 31, 2023, 2022, and 2021**

	Common Stock		Additional paid-in capital	Retained earnings	Total stockholders' equity
	Shares	Amount			
Balance, December 31, 2020	3,246	\$ 1,000	\$ 327,000	\$ 3,101,000	\$ 3,429,000
Issuance of stock	3	--	3,000	--	3,000
Purchase and redemption of stock	(9)	--	(3,000)	(7,000)	(10,000)
Distribution paid	--	--	--	(10,000)	(10,000)
Net income	--	--	--	1,155,000	1,155,000
Balance, December 31, 2021	3,240	1,000	327,000	4,239,000	4,567,000
Issuance of stock	1	--	1,000	--	1,000
Distribution paid	--	--	--	(6,000)	(6,000)
Net income	--	--	--	2,632,000	2,632,000
Balance, December 31, 2022	3,241	1,000	328,000	6,865,000	7,194,000
Issuance of stock	1	--	3,000	--	3,000
Distribution paid	--	--	--	(11,000)	(11,000)
Net income	--	--	--	3,424,000	3,424,000
Balance, December 31, 2023	<u>3,242</u>	<u>\$ 1,000</u>	<u>\$ 331,000</u>	<u>\$ 10,278,000</u>	<u>\$ 10,610,000</u>

See accompanying notes to financial statements

**RW Venture Holdings, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2023, 2022, and 2021**

	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>			
Net income	\$ 3,424,000	\$ 2,632,000	\$ 1,155,000
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	255,000	251,000	169,000
Loss on property disposals	-	12,000	-
Deferred income taxes	(40,000)	(2,000)	-
Cash effects of changes in:			
Accounts receivables	(757,000)	74,000	(121,000)
Other assets	(3,000)	(53,000)	(6,000)
Accounts payable, accrued liabilities, and contract liabilities	<u>3,075,000</u>	<u>531,000</u>	<u>102,000</u>
Net cash provided by operating activities	<u>5,954,000</u>	<u>3,445,000</u>	<u>1,299,000</u>
<b>Cash flows from investing activities:</b>			
Capital expenditures	<u>(7,000)</u>	<u>(51,000)</u>	<u>(1,151,000)</u>
Net cash used in investing activities	<u>(7,000)</u>	<u>(51,000)</u>	<u>(1,151,000)</u>
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of common stock	3,000	1,000	3,000
Purchase and redemption of common stock	-	-	(10,000)
Members' distribution	<u>(11,000)</u>	<u>(6,000)</u>	<u>(10,000)</u>
Net cash used in financing activities	<u>(8,000)</u>	<u>(5,000)</u>	<u>(17,000)</u>
Net increase in cash and cash equivalents	<u>5,939,000</u>	<u>3,389,000</u>	<u>131,000</u>
Cash and cash equivalents, January 1	<u>6,897,000</u>	<u>3,508,000</u>	<u>3,377,000</u>
Cash and cash equivalents, December 31	<u><b>\$ 12,836,000</b></u>	<u><b>\$ 6,897,000</b></u>	<u><b>\$ 3,508,000</b></u>

See accompanying notes to financial statements

**RW Venture Holdings, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2023, 2022, and 2021**

**1. Summary of Significant Accounting Policies**

**Description of Business** – RW Venture Holdings, Inc. (the “Company”) is an “S” corporation organized in the state of Georgia. The Company grants franchises for businesses operating under the RaceWay name (and other trademarks). RaceWay businesses operate motor fuel stations offering unbranded gasoline and motor fuel products, as well as, convenience stores, which offer and sell certain products inside the store.

The Company is a related entity of RaceTrac, Inc. (“RTI”). See Footnote 4 for a description of related party activity conducted with RTI.

**Use of Estimates in the Preparation of Financial Statements** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents** – Cash and cash equivalents include highly liquid investments purchased with an original maturity of three months or less. As of December 31, 2023 and 2022, respectively, cash and cash equivalents consisted of funds on deposit with commercial banks.

The Company places its cash and cash equivalents, which generally exceed federally insured limits, with high credit quality financial institutions. The Company has not experienced any losses in such accounts.

**Franchise Fees** – The Company has entered into agreements whereby franchisees pay the Company an initial franchise fee and, subsequently, a monthly royalty fee. The Company may also charge the franchisee a marketing and advertising fee and a technology fee when deemed necessary which are recognized in the month earned. The services provided under franchise agreements are highly interrelated and dependent upon the franchise license. The Company concluded the services do not represent individually distinct performance obligations. Consequently, the Company bundles the franchise license performance obligation and promises to provide services into a single performance obligation, which the Company satisfies by providing a right to use its intellectual property over the term of each franchise agreement, which is typically five years. Revenue is recognized over the term of the franchise agreement, or when a franchisee forfeits the initial fees and the Company no longer has an obligation.

**Property and Equipment** – Property and equipment is stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance not considered to substantially lengthen the life of the related asset are charged to expense as incurred. In accordance with authoritative guidance, the Company evaluates property and equipment for impairment periodically or whenever the facts and circumstances indicate that the carrying amount of an asset may not be recoverable.

**RW Venture Holdings, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2023, 2022, and 2021**  
**(Continued)**

**1. Summary of Significant Accounting Policies (continued)**

Income Taxes – The Company has elected "S" corporation status whereby taxable income, losses and credits flow through to the stockholders of the Company. Accordingly, income taxes are provided only on the Company's portion of the income applicable to states that do not recognize the "S" corporation status.

Recently Adopted Accounting Pronouncements – The Financial Accounting Standards Board ("FASB") frequently issues new or revised accounting rules. The Company reviews new pronouncements to determine the impact, if any, on the financial statements. The Company has recently adopted the following accounting pronouncement.

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which is codified in Accounting Standards Codification 326. This ASU amends the current incurred loss impairment methodology, with the current expected credit loss ("CECL") impairment model. The CECL model requires the estimation of expected losses for financial assets measured at amortized cost rather than incurred losses. The estimate of expected credit losses considers available, relevant information relating to past events, current conditions, and reasonable and supportable forecasts in assessing the collectability of cash flows associated with these financial assets. The Company adopted this standard on January 1, 2023. The adoption did not have a material impact on the Company's financial statements or disclosures.

**2. Revenue Recognition**

Contract liabilities – Contract liabilities consist of deferred revenue resulting from initial and renewal franchise fees paid by franchisees, which are generally recognized on a straight-line basis over the term of the underlying agreement. The following table reflects the change in contract liabilities for December 31, 2023 and 2022, respectively.

The contract liability rollforward is as follows:

	<b>2023</b>	<b>2022</b>
Beginning balance	\$ 964,000	\$ 477,000
Revenue recognized that was included in the contract liability balance at the beginning of the year	(528,000)	(213,000)
Increase, excluding amounts recognized during period	3,575,000	700,000
Ending balance	<u><u>\$ 4,011,000</u></u>	<u><u>\$ 964,000</u></u>

**RW Venture Holdings, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2023, 2022, and 2021**  
**(Continued)**

**2. Revenue Recognition (continued)**

Disaggregation of revenue is as follows:

	<b>2023</b>	<b>2022</b>	<b>2021</b>
Royalty fees	<b>\$ 2,540,000</b>	\$ 2,385,000	\$ 2,309,000
Franchise fees	<b>\$ 512,000</b>	\$ 185,000	\$ 147,000
Technology fees	<b>\$ 1,254,000</b>	\$ 1,198,000	\$ 678,000
Other franchise income	<b>\$ 876,000</b>	\$ 779,000	\$ 562,000

**3. Property and Equipment**

The components of property and equipment are as follows:

	<b>2023</b>	<b>2022</b>
Fixtures and equipment	<b>\$ 1,495,000</b>	\$ 1,488,000
Less: accumulated depreciation	<b>\$ (702,000)</b>	\$ (447,000)
	<b>\$ 793,000</b>	\$ 1,041,000

Fixtures and equipment consists of hardware and software used in store operations. The useful life of these assets are 5 to 7 years.

**4. Transactions with Related Parties**

RTI owns certain trademarks and trademark logos, copyrights and other intellectual property (collectively the “Intellectual Property”) and has agreed to license the Intellectual Property to the Company. The agreement is for 20 years, and it assumes a one-time nominal fee at the inception of the agreement and an ongoing charge based on a percentage of royalty fees that shall be mutually agreed upon from time to time for the use of the Intellectual Property. The intellectual property charge may not reflect the expense the Company would have incurred as an independent company.

The Company has also entered in an administrative services agreement with RTI to provide certain administrative and other services. The amount charged by RTI is determined using various drivers such as headcount or other measures, with the remainder allocated on a direct usage or cost incurred basis when appropriate. These costs are included in operating and administrative expenses.

RTI charged the Company \$922,000, \$867,000, and \$851,000, respectively, for administrative services and use of intellectual property for the years ended December 31, 2023, 2022, and 2021. The Company had a receivable from RTI of \$925,000 and \$174,000 at December 31, 2023 and 2022, respectively.

**RW Venture Holdings, Inc.**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2023, 2022, and 2021**  
**(Continued)**

**4. Transactions with Related Parties (continued)**

The Company considers the basis on which the administrative charges are determined to be a reasonable reflection of the utilization of services provided or the benefit received. The administrative charge may not, however, reflect the expense the Company would have incurred as an independent company. Actual costs that might have been incurred had the Company been a stand-alone company would depend on a number of factors, including what functions the Company might have performed or outsourced.

In addition, RTI leases the premises on which the store is located to the franchisees and also supplies the franchisees' locations with gasoline as consignor. The lease payments vary based on market rates and are paid on a monthly basis to RTI. The gasoline services agreement is a rider to the lease agreement. Under this rider, franchisees earn a certain base compensation for each gallon of fuel they sell and earn service charge reimbursements from RTI. RTI, through its wholly-owned subsidiary, Metroplex Energy, Inc., contracts with various common carriers to deliver fuel to the stores. One of these common carriers, Energy Dispatch, LLC, is another affiliate of RTI.

**5. Subsequent Events**

In accordance with authoritative guidance, the Company evaluated all events or transactions that occurred after December 31, 2023 through April 19, 2024, the date these financial statements were available to be issued, and determined that no events or transactions that would require either recognition or disclosure had occurred.

**EXHIBIT F**

**STATE ADDENDA**

**ADDITIONAL DISCLOSURES FOR THE  
FRANCHISE DISCLOSURE DOCUMENT OF  
RW VENTURE HOLDINGS, INC.**

The following are additional disclosures for the Franchise Disclosure Document of RW Venture Holdings, Inc. required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

1. **No Waiver or Disclaimer of Reliance in Certain States.** The following provision applies only to franchisees and Franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the Franchise.

**ILLINOIS**

1. The following statements are added to the end of Item 17:

Except for the Federal Arbitration Act that applies to arbitration, Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

**NEW YORK**

1. The following information is added to the cover page of the Disclosure Document:

**INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21<sup>ST</sup> FLOOR, NEW YORK, NEW YORK 10005.**

**THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS DISCLOSURE DOCUMENT.**

2. The following paragraphs are added at the beginning of Item 3 of the Disclosure Document:

Neither the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. Has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices; or comparable civil or misdemeanor allegations, or any pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of a or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices; or comparable allegations.
- C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public

agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following paragraph is added at the beginning of Item 4 of the Disclosure Document:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular:

- (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code;
- (b) obtained a discharge of its debts under the bankruptcy code; or
- (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. The following sentence is added at the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The “Summary” section in Item 17(d) of the Disclosure Document is amended to add the following:

You also may terminate the Franchise Agreement on any grounds available by law.

6. The “Summary” section in Item 17(j) of the Disclosure Document is amended to add the following:

However, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement.

7. The “Summary” section in Item 17(s) of the Disclosure Document is amended to add the following:

Modifications to our start-up materials, internal policies, standards, specifications, and procedures will not unreasonably affect your obligations, including economic requirements, under the Agreement.

8. The “Summary” sections of Items 17(v) and 17(w) of the Disclosure Document are amended to add the following:

; however, the governing choice of law shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

## **RHODE ISLAND**

1. The “Summary” section in Item 17(v) of the Disclosure Document is deleted in its entirety, and the following is substituted in its place:

Litigation generally must be in Georgia except as otherwise required by applicable law with respect to claims arising under the Rhode Island Franchise Investment Act.

2. The “Summary” section in Item 17(w) of the Disclosure Document is deleted in its entirety, and the following is substituted in its place:

Georgia law generally applies, except as otherwise required by law for claims which arise under the Rhode Island Franchise Investment Act.

## **VIRGINIA**

1. The following language is added to the end of the “Summary” section of Item 17(h), entitled **“Cause” defined-non-curable defaults:**

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE  
STATE-SPECIFIC RIDERS TO THE  
FRANCHISE AGREEMENT**

**RIDER TO THE RW VENTURE HOLDINGS, INC.  
FRANCHISE AGREEMENT FOR USE IN ILLINOIS**

This Rider (the "Rider") is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between RW Venture Holdings, Inc., a Georgia corporation with its principal offices at 200 Galleria Parkway S.E., Suite 900, Atlanta, Georgia 30339 ("Franchisor") and \_\_\_\_\_ ("Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed at the same time as this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity occurred in Illinois and the Business that Franchisee will operate under the Franchise Agreement will be located in Illinois, and/or (b) Franchisee is a resident of Illinois.

2. **GOVERNING LAW, JURISDICTION AND WAIVER OF CLASS-ACTION**. Section 22 of the Franchise Agreement is amended by adding the following language:

Except for the Federal Arbitration Act that applies to arbitration, Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. **WAIVER OF EXEMPLARY DAMAGES AND JURY TRIAL**. The following language is added to the end of Section 23 of the Franchise Agreement:

However, this Section shall not act as a condition, stipulation, or provision purporting to bind any person acquiring any franchisee to waive compliance with any provision of the Illinois Franchise Disclosure Act at Section 705/41 or Illinois Regulations at Section 200.609.

4. **ILLINOIS FRANCHISE DISCLOSURE ACT**. The following language is added as Section 30 of the Franchise Agreement.

30. **Illinois Franchise Disclosure Act**. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the parties have caused this Franchise Agreement to be duly executed on the date and year first above written.

**RW VENTURE HOLDINGS, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**RIDER TO THE RW VENTURE HOLDINGS, INC.  
FRANCHISE AGREEMENT FOR USE IN NEW YORK**

This Rider (the "Rider") is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between RW Venture Holdings, Inc., a Georgia corporation with its principal offices at 200 Galleria Parkway S.E., Suite 900, Atlanta, Georgia 30339 ("Franchisor") and \_\_\_\_\_ ("Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed at the same time as this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the Franchise Agreement was made in the State of New York, and/or (b) you are a resident of New York and will operate the Business in New York.

2. **GOVERNING LAW, JURISDICTION AND WAIVER OF CLASS-ACTION**. The following language is added to the end of Section 22 of the Franchise Agreement:

However, to the extent required by Article 33 of the General Business Law of the State of New York, this Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York State General Business Law and the regulations issued hereunder.

**IN WITNESS WHEREOF**, the parties have caused this Franchise Agreement to be duly executed on the date and year first above written.

**RW VENTURE HOLDINGS, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**RIDER TO THE RW VENTURE HOLDINGS, INC.  
FRANCHISE AGREEMENT FOR USE IN RHODE ISLAND**

This Rider (the "Rider") is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between RW Venture Holdings, Inc., a Georgia corporation with its principal offices at 200 Galleria Parkway S.E., Suite 900, Atlanta, Georgia 30339 ("Franchisor") and \_\_\_\_\_ ("Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ that has been signed at the same time as this Rider (the "Franchise Agreement"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is domiciled in Rhode Island and the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in Rhode Island, and/or (b) any of the franchise offer or sales activity occurred in Rhode Island.

2. **GOVERNING LAW, JURISDICTION AND WAIVER OF CLASS-ACTION**. Section 22 of the Franchise Agreement is amended by adding the following language:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. sections 1051 *et seq.*) or other federal law, this Agreement and all claims arising from the relationship between Franchisor and Franchisee will be governed by the laws of the state of Georgia, without regard to its conflict of laws principles, except that: (1) any Georgia law regulating franchise offers and sales or governing the Franchisor-Franchisee relationship will not apply unless its jurisdictional requirements are met independently without reference to this section; and (2) to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.

**IN WITNESS WHEREOF**, the parties have caused this Franchise Agreement to be duly executed on the date and year first above written.

**RW VENTURE HOLDINGS, INC.**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**FRANCHISEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**NEW YORK REPRESENTATIONS PAGE**

**FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.**

**EXHIBIT G**  
**FRANCHISEE REPRESENTATIONS**

**RACEWAY**  
**FRANCHISEE REPRESENTATIONS**

**Important Instructions:**

The following franchisee — \_\_\_\_\_ (the “**Franchisee**”) — is interested in acquiring a franchise for a Raceway Business to be operated at a specific site identified, or to be identified, in the Franchise Agreement and Lease (the “**Business**”). The purpose of this Franchisee Representations form is to ascertain certain information from you in connection with your purchase of the franchise.

**NOTE: DO NOT COMPLETE, ANSWER OR RESPOND TO THE QUESTIONS OR INQUIRIES CONTAINED IN SECTION B OF THIS FRANCHISEE REPRESENTATIONS FORM IF THE OFFER OR SALE OF THE RACEWAY BUSINESS FRANCHISE TO YOU IS SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN. THESE QUESTIONS OR INQUIRIES DO NOT APPLY TO YOU.**

**DO NOT COMPLETE, ANSWER, OR RESPOND TO THE QUESTIONS OR INQUIRIES CONTAINED IN SECTION B OF THIS FRANCHISEE REPRESENTATIONS FORM IF THE FRANCHISE IS TO BE OPERATED IN, OR IF YOU ARE A RESIDENT OF, CALIFORNIA OR MARYLAND.**

**SECTION A**

**Please review each of the following questions or inquiries carefully and provide honest and complete answers to each.**

1. Each of the undersigned understands that the Franchise Agreement and the Lease likely will change from time to time, meaning that the Franchise Agreement and Lease for the Franchisee’s Business likely will be different from others we sign in the future. The Franchisee will be bound by its own Franchise Agreement and Lease, regardless of what other agreements might say.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

2. Each of the undersigned understands that the Franchise Agreement and the Lease grant rights for one, and only one, Business, operated only at the site identified or to be identified in the Franchise Agreement and Lease, and that we are not granting or promising any “exclusive,” “expansion,” “protected,” “non-encroachable,” or other territorial rights, rights of first refusal, or rights of any other kind for the Business’s market area or any other existing or potential Raceway Business or geographic territory.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

3. Each of the undersigned understands the importance of the Business's site and location. The undersigned and the Franchisee have had, or will have, ample opportunity and the means to investigate, review, and analyze independently the Business's site and location, the market area and all other facts relevant to the site for the Raceway Business.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

4. The covenants and restrictions concerning competition contained in the Franchise Agreement and the Lease are fair and reasonable and will not impose an undue hardship on the undersigned or the Franchisee. Each of them has other considerable skills, abilities, opportunities, and experience in other matters and of a general nature that enable each of them to derive income that is satisfactory to them from other endeavors.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

5. There is no fiduciary or confidential relationship between any Raceway entity and the undersigned or between any Raceway entity and the Franchisee. Each of the undersigned expects us to deal, and will act as if we are dealing, with it, him, or her at arm's length and in our own best interests.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

6. Neither we nor any employee has provided the undersigned or the Franchisee with services or advice that are of a legal, accounting, or other professional nature.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

7. The statements made in this document supplement and are cumulative to statements, warranties, and representations made in other documents, such as the Franchise Agreement and Lease. The statements made in this document or the Franchise Agreement or Lease are made separately and independently. They are not intended to be, and will not be, construed as modifying or limiting each other.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

8. Each of the undersigned understands that, in the franchise relationship, the franchisor, the landlord and the Franchisee will be independent contractors. Nothing is intended to make either the Franchisee or the franchisor or the landlord a general or special agent, joint venturer, partner, or employee of any other for any purpose. Neither the franchisor nor the landlord will exercise direct or indirect control over the Business's personnel except to the extent any indirect control is related to our legitimate interest in protecting the quality of products, service, or the Raceway brand. Neither the franchisor nor the landlord will share or codetermine the terms and conditions of employment of the Business's employees or affect matters relating to the employment relationship between the Franchisee and the Business's employees, such as

employee selection, training, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Neither the franchisor nor the landlord will be the employer or joint employer of the Business's employees.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

9. The President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations, and the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). The Franchisee is required to make certain certifications that the parties with whom they deal are not directly or indirectly involved in terrorism. For that reason, the undersigned and the Franchisee hereby certify that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with the Franchisee, is: (a) a person or entity listed in the Annex to the Executive Order; (b) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism; (c) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (d) owned or controlled by terrorists or sponsors of terrorism. The undersigned and the Franchisee further covenant that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with them, will during the Franchise Agreement of Lease term become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

10. The only state(s) in which each of the undersigned is a resident is (are):  
\_\_\_\_\_.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

## **SECTION B**

**Please review each of the following questions or inquiries carefully and provide honest and complete answers to each.**

1. Each of the undersigned has conducted its, his, or her own independent investigation of Raceway, the Franchise System, and the risks, burdens, and nature of the business Franchisee will conduct under the Franchise Agreement and Lease.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

2. Each of the undersigned understands that the business Franchisee will conduct under the Franchise Agreement and the Lease involves risks and that success or failure will be substantially influenced by the Franchisee's abilities and efforts.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

3. The Franchisee has (through one or more of the undersigned) received and reviewed the Franchise Agreement, the Lease and each rider, exhibit, and schedule attached to them.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

4. The Franchisee understands all of the information contained in the Franchise Agreement and the Lease and each rider, exhibit, and schedule attached to them.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

5. The Franchisee has received ready-to-be-signed copies of the Franchise Agreement, the Lease and all other related agreements and has had ample opportunity to consult with its, his, or her attorneys, accountants, and other advisors concerning those documents and the business the Franchisee will conduct. The Franchisee has had copies of those documents in-hand for at least seven (7) calendar days before signing them.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

6. The Franchisee has received a franchise disclosure document ("FDD") as required by law at least 14 calendar days before signing the Franchise Agreement, the Lease or any other binding agreement, and at least 14 calendar days before paying any consideration to us or our affiliate in connection with this franchise, and has had ample opportunity to consult with its, his, or her attorneys, accountants, and other advisors concerning the FDD.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

7. We have made no financial performance representation ("FPR") in Item 19 of our FDD, and we have made no representation, warranty, promise, guaranty, prediction, projection, or other statement, and given no information, as to the future, past, likely, or possible income, sales volume, or profitability, expected or otherwise, of the Business or any other Raceway Business, except: (None, unless something is filled-in here)

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**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

8. Each of the undersigned understands that:

8.1 We do not authorize our officers, directors, or employees to furnish any oral or written representation, warranty, promise, guaranty, prediction, projection, or other statement or information concerning actual or potential income, sales volume, or profitability, either generally or of any Raceway Business.

8.2 Actual results vary from unit to unit and from time period to time period, and we cannot estimate, project, or predict the results of any particular Raceway Business.

8.3 We have specifically instructed our officers, directors, and employees that they are not permitted to make any representation, warranty, promise, guaranty, prediction, projection, or other statement or give information as to income, sales volume, or profitability, either generally or with respect to any particular Raceway Business.

8.4 If any unauthorized representation, warranty, promise, guaranty, prediction, projection, or other statement or information is made or given, the undersigned should not (and will not) rely on it and should report it to our management.

**\*Insert initials into the following blank to confirm these statements: \_\_\_\_\_**

9. Before signing the Franchise Agreement, the Lease and any related agreements, the undersigned Franchisee has had ample opportunity: (A) to investigate all statements and information made or given by us and our officers, directors, employees, and agents relating to the Franchise System, the Business, and any other subject; and (B) to consult with any other franchisees we periodically have.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

10. Each of the undersigned understands that the Franchise Agreement and Lease (including any riders and exhibits) reflects the entire agreement between the parties with respect to the Business's development and operation as a franchise and supersedes all prior and other contemporaneous oral or written agreements, statements, representations, and understandings of us, the undersigned, and the Franchisee, except for representations made by the undersigned in this document and by us in the FDD.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

11. Each of the undersigned understands that, except for our representations in the FDD, nothing stated or promised by us that is not specifically set forth in the Franchise Agreement or the Lease can be relied upon by the undersigned or the Franchisee.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

12. Each of the undersigned understands that site selection is a difficult and risky proposition. We have not given (and will not give) any representation, warranty, promise, guaranty, prediction, projection, or other statement or information relied (or to be relied) upon by the undersigned or the Franchisee regarding a site's prospects for success, nearby tenants, or other attributes.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

13. The Franchisee has been advised to consult with their own advisors on the legal, financial, and other aspects of the Franchise Agreement and all other documents signed concurrently with the Franchise Agreement; the Lease, this document; and the Business. Each of the undersigned has either consulted with such advisors or deliberately declined to do so.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_\_**

\*\*\*\*\*

**FRANCHISEE**

\_\_\_\_\_  
(Name of Franchisee)

\_\_\_\_\_  
(Signature of Person Binding Franchisee)

\_\_\_\_\_  
(Name and Title Printed)

\_\_\_\_\_  
(Date)

**FRANCHISEE'S PRINCIPALS**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name Printed)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name Printed)

\_\_\_\_\_  
(Date)

**EXHIBIT H**

**LIST OF FRANCHISEES**  
**AS OF DECEMBER 31, 2023**

See attached.

**LIST OF FRANCHISEES AS OF DECEMBER 31, 2023**

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
6886	ALBERTVILLE	5178 HWY 431	ALBERTVILLE	AL	35950	2566601665	RYAN	BLACKMON
6712	KELLI DR	1523 HWY 72 E	ATHENS	AL	35611	2562624747	KISHAN	AMIN
998	BAY MINETTE	808 US HWY 31 SOUTH	BAY MINETTE	AL	36507	2519370733	ARVIND	PATEL
6816	BESSEMER	1823 19TH AVE	BESSEMER	AL	35020	2054811603	NIKKY	PATEL
6870	TARRANT	2460 PINSON VALLEY PKWY	BIRMINGHAM	AL	35217	2058417171	BHAVINKUMAR	PATEL
6892	OLD BIG COVE	5695 HWY 431	BROWNSBORO	AL	35741	3175255190	BIPINCHANDRA	PATEL
6991	CREOLA	10033 US HIGHWAY 43 N	CREOLA	AL	36525	2514590820	GOPAL	PATEL
6710	PRICEVILLE	157 HWY 67 SOUTH	DECATUR	AL	35603	2565805639	NIKKI	PATEL
6891	DECATUR	2331 HWY 20 WEST	DECATUR	AL	35601	2563554541	BIPINCHANDRA	PATEL
6972	DEMOPOLIS	705 HWY 80 E.	DEMOPOLIS	AL	36732	N/A	DHRUV	MALHOTRA
758	TIMBERS ROAD	2585 ROSS CLARK CIRCLE	DOTHAN	AL	36301	9042289239	VISHAL	PATEL
6927	DOTHON	1581 ROSS CLARK CIRCLE	DOTHON	AL	36301	3346614000	MAHMOUD	ABUDAYYAK
6960	WESTGATE	3605 REEVES ST	DOTHON	AL	36303	3347926730	MAHMOUD	ABUDAYYAK
6990	FOLEY	16161 FOLEY BEACH EXPRESS	FOLEY	AL	36535	N/A	RITESH	PATEL
997	FULTONDALE	917 DECATUR HWY	FULTONDALE	AL	35068	2058411425	JEHANGIR	NASEEM
915	GUNTERSVILLE	11567 HWY 431	GUNTERSVILLE	AL	35976	2568948410	DEBORAH	BLACKMON
6825	HOOVER	1999 MONTGOMERY HWY	HOOVER	AL	35216	N/A	KISHAN	AMIN
6823	HUEYTOWN	802 WARRIOR RIVER RD.	HUEYTOWN	AL	35023	2057441151	DIVYESHKUMAR	PATEL
6832	JASPER	4001 HWY 78	JASPER	AL	35501	2053846222	SANJAY	PATEL
6860	LANETT	2303 S BROAD AVE	LANETT	AL	36863	3342206998	JAYANT	VOHRA
726	LEEDS	1825 ASHVILLE RD.	LEEDS	AL	35094	N/A	ALI	NASHER
6707	LOXLEY	12000 N HICKORY ST	LOXLEY	AL	36551	2519647897	LINDA	MCCOY
6894	MERIDIANVILLE	11007 HWY 431 NORTH	MERIDIANVILLE	AL	35759	2562137263	RIKIN	PATEL
755	SCHILLINGER	675 NORTH SCHILLINGER RD.	MOBILE	AL	36608	2516330999	TAWFIK	SEBAYEE
6709	MOBILE	5455 HWY 90 WEST	MOBILE	AL	36619	2513750936	PAWAN	AGRWAL
6814	MCVAY	3051 GOVERNMENT BLVD	MOBILE	AL	36606	N/A	GOPAL	PATEL
700	HOLIDAY	4302 MOBILE HWY.	MONTGOMERY	AL	36108	3342802288	MAHESH	PATEL
6711	WOODMERE	1319 EASTERN BLVD.	MONTGOMERY	AL	36117	3343987768	BHARATKUMAR	PATEL
926	MONTGOMERY	4491 TROY HWY.	MONTGOMERY	AL	36116	3342885625	JAYESH	PATEL
6821	MOODY	2107 MOODY PKWY	MOODY	AL	35004	2056400220	BELA	PATEL

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
6989	MOULTON	11550 AL HWY 157	MOULTON	AL	35650	N/A	KALPESH	PATEL
6713	OPELIKA	1901 MARVYN PKWY	OPELIKA	AL	36804	3347418762	HARSHVADEN	PATEL
6818	PELHAM	3314 PELHAM PKWY	PELHAM	AL	35124	6305506331	KISHAN	AMIN
6819	CAHABA VALLEY	310 CAHABA VALLEY RD	PELHAM	AL	35124	2059822900	KISHAN	AMIN
985	PIEDMONT	805 NORTH MAIN ST.	PIEDMONT	AL	36272	2567929300	MITALBEN	PATEL
6708	COBBS FORD RD.	2560 COBBS FORD ROAD	PRATTVILLE	AL	36066	N/A	BHARAT	PATEL
986	SCOTTSBORO	2409 S. BROAD ST.	SCOTTSBORO	AL	35769	2569990088	KARTIK	PATEL
885	SELMA	203 HIGHLAND AVENUE	SELMA	AL	36701	N/A	DHRUV	MALHOTRA
988	COTTONWOOD	15809 SOUTH US HWY 231	SLOCOMB	AL	36375	3347022050	VISHAL	PATEL
			SOUTH BIRMINGHAM					
6824	HWY 280	5349 HWY 280		AL	35243	6305506331	KISHAN	AMIN
	TILLMAN'S CORNER	5592 HWY 90	THEODORE	AL	36582	2514089425	PAWAN	AGRWAL
6822	TRUSSVILLE	1435 GADSDEN HWY	TRUSSVILLE	AL	35235	2055084221	JIGNESH	PATEL
6714	WETUMPKA	910 US HWY 231	WETUMPKA	AL	36092	3342206998	JAYANT	VOHRA
6844	LITTLE ROCK	6425 S. UNIVERSITY	LITTLE ROCK	AR	72209	5015651999	NICK	CHOWDHURY
780	TEXARKANA	4120 N. STATELINE RD.	TEXARKANA	AR	71854	N/A	NICK	CHOWDHURY
6953	ALACHUA	16171 NW US HWY 441	ALACHUA	FL	32616	3865185049	PRAVIN	KUMAR
6959	AVON PARK	1626 US HWY S	AVON PARK	FL	33825	5132578657	BHAVINKUMAR	PATEL
6881	CANTONMENT	111 S HWY 29	CANTONMENT	FL	32533	8506794814	MD	ISLAM
6849	COCOA BEACH	3555 W KING ST	COCOA BEACH	FL	32926	3216330045	JOPPEN	THOMAS
974	DADE CITY	12310 US HWY 301	DADE CITY	FL	33525	3524374739	DIVYESH	PATEL
826	MOSSY HEAD	14338 US HWY 90 WEST	DEFUNIAK SPRINGS	FL	32433	8509511229	MEHDI	BONAKDAR
6876	PALMS	995 HWY 98 EAST	DESTIN	FL	32541	8508371552	MOHAMMED	HOQUE
980	MCINTOSH	4660 MCINTOSH RD.	DOVER	FL	33527	8137525544	PRAVIN	KUMAR
6933	EAST PALATKA	200 S HWY 17	EAST PALATKA	FL	32131	3863255858	RON	NELSON
769	FORT WALTON	312 MIRACLE STRIP PKWY, SW	FT. WALTON BEACH	FL	32548	9739704885	HARSHIL	PATEL
839	CASSAT	647 CASSAT AVENUE	JACKSONVILLE	FL	32205	9043881333	GURPREET	SINGH
6717	GOLFAIR	1040 GOLFAIR BLVD.	JACKSONVILLE	FL	32209	9043292254	GURPREET	SINGH
6800	LEM TURNER	7304 LEM TURNER RD	JACKSONVILLE	FL	32208	2012084363	GURPREET	SINGH
6976	NORMANDY	7801 NORMANDY BLVD.	JACKSONVILLE	FL	32221	9046727415	RONALD	NELSON
6857	LAKE PLACID	781 US HWY 27 N	LAKE PLACID	FL	33852	8634650252	ATUL	DATTA

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
6994	MELBOURNE	4641 EAU GALLIE BLVD.	MELBOURNE	FL	32934	3214217670	HICHAM	HAWARI
740	MIAMI GARDENS	18302 NW 7TH AVE.	MIAMI	FL	33169	7866137005	MOHAMMAD	ZAHRIYEH
6974	PRO PLAYER	20696 NW 27TH AVE.	MIAMI	FL	33169	3056247455	ABDEL	ZAHRIYEH
6948	27TH AVE	17021 NW 27TH AVE	MIAMI GARDENS	FL	33056	3056907577	MOHAMMAD	ZAHRIYEH
	MIAMI GARDENS II	3695 NW 183RD ST	MIAMI GARDENS	FL	33056	3059745066	DORA (GRACE)	COLOMBO
6719	MILTON HWY	6125 US HWY 90	MILTON	FL	32570	8509830556	NYRMA	JAoui
6847	UNCLE SAM	2783 AVALON BLVD	MILTON	FL	32583	8509959151	MAKSUDUR	RAHMAN
6875	MIMS	2455 HWY 1	MIMS	FL	32754	3212258925	KETUL	DESAI
6985	OKEECHOBEE	1596 ST. RD. 70, E.	OKEECHOBEE	FL	34972	8634848982	NILESH	PATEL
6952	OPA LOCKA	19851 NW 57TH AVE	OPA LOCKA	FL	33055	9548958163	MASHUK	AHMED
6995	N. ALAFAYA TRAIL	1819 NORTH ALAFAYA TRAIL	ORLANDO	FL	32826	4079883025	TARANUM	SHABANA
6887	PACE	3576 HWY 90	PACE	FL	32571	8502409924	MAKSUDUR	RAHMAN
6873	HAVERHILL	288 N HAVERHILL RD	PALM BEACH	FL	33415	5616881523	MASHUK	AHMED
6869	TRANSMITTER	3433 E 15TH ST	PANAMA CITY	FL	32405	3344926432	MAHMOUD	ABUDAYYAK
940	PARKER	6146 EAST HIGHWAY 98	PARKER	FL	32404	8508719924	MEHDI	BONAKDAR
746	BARRANCAS	3530 BARRANCAS AVE.	PENSACOLA	FL	32507	8504539436	RAMI	IBRAHIM
993	COPTER	9265 N. DAVIS HWY	PENSACOLA	FL	32514	8504771796	HOSAM	EID
6716	PENSACOLA	7271 PENSACOLA BLVD.	PENSACOLA	FL	32504	7329920000	HARDWICK	PATEL
6852	PINE FOREST	7910 PINE FOREST RD	PENSACOLA	FL	32526	8509448212	PAWAN	AGRAWAL
6855	HEDGE	406 AIRPORT BLVD	PENSACOLA	FL	32503	8504774603	MICK	PATEL
6862	NINE MILE RD	701 W NINE MILE RD	PENSACOLA	FL	32534	8503325572	MOHAMMED	HOQUE
6940	FAIRFIELD	2741 W FAIRFIELD DR	PENSACOLA	FL	32505	8506076644	MOHAMMAD	YOUSUF
6964	BRENT AND DAVIS	406 BRENT LANE	PENSACOLA	FL	32503	2153916901	VISHAL	PATEL
6877	PALAFIX	4594 N PALAFIX ST	PENSACOLA	FL	32505	7329920000	HARDWICK	PATEL
994	SEBRING	5100 US HWY 27 S	SEBRING	FL	33870	8634515901	BHAVINKUMAR	PATEL
6720	SHALIMAR	1183 N. EGLIN PKWY	SHALIMAR	FL	32579	8506517848	MD	ISLAM
6987	GANDY	12025 GANDY BLVD.	ST. PETERSBURG	FL	33701	7274988607	MUSTAFA	AWAD
6983	WATERS AVE.	4102 W. WATERS AVE	TAMPA	FL	33614	8132900500	ABDELRAHIM	ABDELRAHIM
6840	WALDO	15330 N.E. HWY. 301	WALDO	FL	32694	N/A	TESFAY	ASMELASH
6898	YULEE	462569 SR 200	YULEE	FL	32097	9042251070	RON	NELSON

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
765	CAMPBELLTON RD.	3580 CAMPBELLTON RD., SW	ATLANTA	GA	30331	4045499203	ABDUL	MASODY
868	WASHINGTON RD.	3021 WASHINGTON RD.	AUGUSTA	GA	30907	7067370030	ASHOK	SHAH
921	DEANS BRIDGE	3224 DEAN'S BRIDGE RD.	AUGUSTA	GA	30906	5403828288	AHMED	FOUITAH
6872	WRIGHTSBORO RD	3481 WRIGHTSBORO RD	AUGUSTA	GA	30901	8032105163	AHMED	FOUITAH
6837	BAINBRIDGE	1418 TALLAHASSEE HWY	BAINBRIDGE	GA	39819	3474970545	SUHAIL	SAQI
6871	BLUE RIDGE	4581 APPALACHIAN HWY	BLUE RIDGE	GA	30513	7703100788	RITESH	RAJYAGURU
917	BYRON	237 HWY 49	BYRON	GA	31008	4786542543	KALIND	PATEL
6906	CARROLLTON	795 OLD AIRPORT RD	CARROLLTON	GA	30117	4048612344	KESHA	PATEL
6725	VICTORY DRIVE	4421 VICTORY DRIVE	COLUMBUS	GA	31903	3343039937	HEMANG "DENNIS"	PADHIAR
6827	PORTERDALE	5148 US HWY 278 NW	COVINGTON	GA	30014	6783422111	NAYAN	RAJYAGURU
6920	GLOBAL FORUM	7140 BUFORD HWY	DORAVILLE	GA	30340	7702094301	ABIY	HAILE
7000	FOLKSTON	5042 SECOND ST. N.	FOLKSTON	GA	31537	N/A	RON	NELSON
6967	TARA BLVD	7721 TARA BLVD	JONESBORO	GA	30236	7707423223	VIVEK	PATEL
983	KINGSLAND	1155 EAST KING AVE.	KINGSLAND	GA	31548	9125769833	RON	NELSON
6727	LAKE PARK	1177 LAKES PARK BLVD.	LAKE PARK	GA	31636	2298349345	SANKETKUMAR	PATEL
6949	LAVONIA	13722 JONES ST	LAVONIA	GA	30553	7063561205	SAMEER	NARSIDANI
6971	ALBANY	1385 US HWY 82 W	LEESBURG	GA	31763	3344926432	MAHMOUD	ABUDAYYAK
6833	MERCER	5127 MERCER UNIVERSITY DR.	MACON	GA	31201	N/A	MAHADATTA	TIMILSINA
6905	MADISON	1981 EATONTON RD	MADISON	GA	30650	7064381220	MOHAMMED	SANADDIN
6853	MOULTRIE	1301 N VETERANS MEMORIAL PKWY	MOULTRIE	GA	31768	2292170027	SUHAIL	SAQI
6705	RICHMOND HILLS	4014 US HWY 17	RICHMOND HILL	GA	31324	N/A	PRIYANK	PATEL
6917	RIVERDALE RD	5905 HWY 85	RIVERDALE	GA	30274	7709098840	FIROZ	NARSIDANI
6854	ROCKMART	1951 NATHAN DEAN PKWY	ROCKMART	GA	30153	7706842848	CLINT	BROCK
6970	ROME	2459 SHORTER AVE	ROME	GA	30165	6789388934	JOHNNY	ADHIKARI
6706	STOCKBRIDGE	631 HWY 138 W	STOCKBRIDGE	GA	30281	6788845714	KETUL	PATEL
6943	MT ZION	900 HWY 138 W	STOCKBRIDGE	GA	30281	6784893341	JITENDRA	PATEL
6908	SUWANEE	3195 LAWRENCEVILLE SUWANEE RD	SUWANEE	GA	30024	7707136796	JAYESHKUMAR	PATEL
6903	THOMASTON	1088 HWY 19 N	THOMASTON	GA	30286	7707780943	KETUL	PATEL

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
6868	THOMASVILLE	13883 HWY 19 S	THOMASVILLE	GA	31792	2292360177	SAMIP	VYAS
6999	THOMASVILLE	2500 HIGHWAY 84 BYPASS	THOMASVILLE	GA	31792	N/A	JITENDRA	PATEL
947	TOCCOA	1586 BIG A ROAD	TOCCOA	GA	30577	7062820520	GURWINDER	SINGH
6722	VALDOSTA	1406 N. ST. AUGUSTINE RD	VALDOSTA	GA	31602	2297403396	SANKETKUMAR	PATEL
6968	WARNER ROBINS	1880 RUSSELL PARKWAY	WARNER ROBINS	GA	31069	7707780943	KETUP	PATEL
6726	THOMSON	1920 WASHINGTON RD	THOMSON	GA	30824	7069895669	AHMED	FOUITAH
6730	AIRLINE BLVD.	7174 AIRLINE HWY	BATON ROUGE	LA	70805	6786026162	PRADEEP	KHANNA
714	LA DOWNS	8048 EAST TEXAS ST.	BOSSIER CITY	LA	71112	3187426355	CODY	HODGES
6729	BOSSIER CITY	2125 OLD MINDEN RD.	BOSSIER CITY	LA	71112	3185847478	KUMAR	KHADKA
6935	BENTON	3645 BENTON RD	BOSSIER CITY	LA	71111	3187429460	MUHAMAD	ZEIDAN
754	CROWLEY	2435 NORTH PARKERSON	CROWLEY	LA	70526	3377881118	NASEER	Yaqub
748	EUNICE	101 E. LAUREL AVE.	EUNICE	LA	70535	3374577007	DALBIR	SINGH
919	HARVEY	989 MANHATTAN BLVD.	HARVEY	LA	70058	5043660999	NASER	FARHUD
996	LAFAYETTE	5770 JOHNSTON ST.	LAFAYETTE	LA	70503	3379884464	KARAM	ALI
6946	LAKE CHARLES	1213 N MLK HWY	LAKE CHARLES	LA	70601	N/A	ABDUL	RAFAY
6863	MONROE	104 S COLLEGE AVE	MONROE	LA	71203	3188554076	SANJIB	BASNET
6734	NATCHITOCHES	5105 HWY 6 WEST	NATCHITOCHES	LA	71457	3183568989	TANVEER	AKHTAR
902	NEW IBERIA	2800 HWY 14	NEW IBERIA	LA	70560	N/A	PRADIP	THAPA
728	RAYVILLE	2207 LOUISA ST	RAYVILLE	LA	71269	3187287122	SANJIB	BASNET
744	RUSTON	1804 FARMERVILLE RD.	RUSTON	LA	71270	3373787997	BIJAYA	GURUNG
6731	NORTH MARKET	1920 N MARKET STREET	SHREVEPORT	LA	71107	3186731020	KUMAR	KHADKA
6732	SHREVEPORT	221 E 70TH STREET	SHREVEPORT	LA	71106	3188694061	KUMAR	KHADKA
6733	BERT KOUNS	1025 E BERT KOUNS INDUSTRIAL LOOP	SHREVEPORT	LA	71105	3187980616	KHADKA	KAMAL
6801	LINWOOD	403 BERT KOUNS INDUSTRIAL LOOP	SHREVEPORT	LA	71106	3186719686	TANVEER	AKHTAR
6802	HEARNE AVE	3701 HEARNE AVE	SHREVEPORT	LA	71103	9726556799	KUMAR	KHADKA
6942	MANSFIELD	9535 MANSFIELD RD	SHREVEPORT	LA	71118	3186829946	JITENDRA	KUMAR
855	WEST MONROE	300 THOMAS RD.	WEST MONROE	LA	71291	2146809954	SANJIB	BASNET
6950	BATESVILLE	105 CHAMPION BLVD	BATESVILLE	MS	38606	6625610065	ANA	GILLANI
6736	GULFPORT	9151 US HWY 49 NORTH	GULFPORT	MS	39503	2285758827	SHIRISH	PATEL
760	JACKSON	5785 HWY 18	JACKSON	MS	39204	N/A	SHUBHAM	JOSHI

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
990	CLINTON	4615 CLINTON BLVD.	JACKSON	MS	39209	N/A	SHUBHAM	JOSHI
6867	MOSS POINT	7315 HWY 63	MOSS POINT	MS	39562	2284743221	VISHESH	TREHAN
6851	PEARL	460 AIRPORT RD	PEARL	MS	39208	6016314469	CHANDRA	PATHAK
6941	RICHLAND	715 HWY 49 S	RICHLAND	MS	39218	6016729882	CHANDRA	PATHAK
6930	SOUTHAVEN	580 STATE LINE RD	SOUTHAVEN	MS	38671	6624705198	ANA	GILLANI
	BROOKSHIRE BLVD.	3815 BROOKSHIRE BLVD.	CHARLOTTE	NC	28216	7045260608	MUNIR	RASSIWALA
6739	LENOIR RHYNE	1141 LENOIR RHYNE BLVD	HICKORY	NC	28602	8283228708	RUTA	PATEL
6744	HICKORY	1230 HWY 321 NORTHWEST	HICKORY	NC	28601	N/A	PRIYA	PATEL
6740	LINCOLNTON	1913 E. MAIN ST.	LINCOLNTON	NC	28902	N/A	RAJ	PATEL
6738	MORGANTON	1215 BURKEMONT AVE.	MORGANTON	NC	28655	8284381893	JAYESHKUMAR	PATEL
848	TARBORO	215 WESTERN BLVD.	TARBORO	NC	27886	N/A	DIVYESH	PATEL
6749	AIKEN	2664 N COLUMBIA HIGHWAY	AIKEN	SC	29805	8036411428	ANAMIKA	PATEL
6750	CLEMSON	4606 CLEMSON BLVD.	ANDERSON	SC	29621	8642249987	SEJAL	PATEL
6754	BOILING SPRINGS	1697 BOILING SPRINGS RD	BOILING SPRINGS	SC	29316	8646999355	KASHYAP	PATEL
6747	CAYCE	2839 CHARLESTON HWY.	CAYCE	SC	29033	8037966565	MAULIK	PATEL
957	FLORENCE	1801 W. LUCAS ST.	FLORENCE	SC	29502	N/A	DEVAL	PATEL
6954	PALMETTO	4019 E. PALMETTO ST.	FLORENCE	SC	29506	N/A	DEVAL	PATEL
6748	WOODRUFF RD.	1116 WOODRUFF RD.	GREENVILLE	SC	29607	8642861200	BHUPENDRA	PATEL
6998	MARION	1567 S. HWY 501	MARION	SC	29571	8434338563	YATIN	PATEL
6752	POWDERSVILLE	3010 EARL E. MORRIS JR. HWY	PIEDMONT	SC	29673	8642956839	NITINKUMAR	PATEL
6751	CHESNEE HWY	2205 CHESNEE HWY	SPARTANBURG	SC	29303	8645866241	PRIYA	PATEL
6753	SPRINGFIELD	8671 ASHEVILLE HWY	SPARTANBURG	SC	29303	8645991518	BHUPENDRA	PATEL
6986	SUMTER	3290 BROAD ST.	SUMTER	SC	29150	8034941128	TARPAN	SHAH
846	WEST COLUMBIA	2526 AUGUSTA RD.	W. COLUMBIA	SC	29169	8036618857	HARDWICK	PATEL
6746	AIRPORT BLVD.	2206 AIRPORT BLVD.	WEST COLUMBIA	SC	29170	8037963141	HARDWICK	PATEL
	SIGNAL MOUNTAIN	405 SIGNAL MOUNTAIN RD	CHATTANOOGA	TN	37405	4235445561	SAURIN	PATEL
6843	AMNICOLA HWY	3459 AMNICOLA HWY	CHATTANOOGA	TN	37406	4234003104	DHIREN	PATEL
6866	BROAD STREET	2528 BROAD STREET	CHATTANOOGA	TN	37408	N/A	SAURIN	PATEL
6988	CLARKSVILLE	702 PROVIDENCE BLVD.	CLARKSVILLE	TN	37042	N/A	SAM	GHALI
961	HERMITAGE	5781 OLD HICKORY BLVD.	HERMITAGE	TN	37076	6158917144	SAM	GHALI

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
6846	HIXSON PIKE	5455 HIXSON PIKE	HIXSON	TN	37343	4235216367	DHIREN	PATEL
942	SOUTH HIGHLAND	2023 SOUTH HIGHLAND AVE.	JACKSON	TN	38301	7314279977	OSAMA	GHALI
843	KIMBALL	141 MAIN ST.	KIMBALL	TN	37347	4232288003	MOHAMMAD	WAQAS
6759	OAKRIDGE	9002 OAK RIDGE HWY 19	KNOXVILLE	TN	37931	8659270460	JAYMIN	PATEL
770	LEBANON	1137 SPARTA PIKE	LEBANON	TN	37087	6154438529	OSAMA	GHALI
930	MANCHESTER	2277 HILLSBORO BLVD.	MANCHESTER	TN	37355	9317234715	AMIN	JAMANI
6755	MILLINGTON	8454 N HWY 51	MILLINGTON	TN	38053	9015779654	MEHRAJ	HUDANI
960	DONELSON PIKE	577 DONELSON PIKE	NASHVILLE	TN	37214	6144573142	SAM	GHALI
738	TAZEWELL	204 SOUTH BROAD ST	NEW TAZEWELL	TN	37825	4236266090	CHRISTOPHER	WHITAKER
743	OLIVER SPRINGS	526 E. TRI COUNTY BLVD.	OLIVER SPRINGS	TN	37840	8657306740	JAYMIN	PATEL
739	WHITWELL	13150 HWY. 28	WHITWELL	TN	37397	4236586153	JIM	ROGERS
6918	MATLOCK	4600 MATLOCK ROAD	ARLINGTON	TX	76018	N/A	SUJAY	PATEL
6984	DIVISION STREET	3317 EAST DIVISION ST	ARLINGTON	TX	76011	N/A	KAMAL	KHADKA
6779	BEAUMONT	4205 COLLEGE ST.	BEAUMONT	TX	77701	4098409499	SHYLORE	JOSEPH
982	WACO	1708 S VALLEY MILLS DR.	BEVERLY HILLS	TX	76711	2547572121	SHYLORE	JOSEPH
6945	BRIDGE CITY	500 TEXAS AVE	BRIDGE CITY	TX	77611	4096978006	DHILOR	BABY
6973	BRIDGEPORT	101 US HIGHWAY 380	BRIDGEPORT	TX	76426	N/A	RAJENDRA	GHIMIRE
967	JIM MILLER	8130 E RL THORNTON FWY	DALLAS	TX	75228	2143818350	TALAT	MAHMOOD
6978	NORTHWEST HWY	1930 NORTHWEST HIGHWAY	DALLAS	TX	75220	4698281119	DHRUV	PATEL
6979	CEDAR RIDGE	6675 CEDAR RIDGE DRIVE	DALLAS	TX	75236	N/A	MINHAJ	KAREEM
6980	BUCKNER	3516 N. BUCKNER BLVD.	DALLAS	TX	75228	N/A	ALI	RAZA
6975	DENTON	1450 DALLAS DRIVE	DENTON	TX	76205	N/A	ZOHRA	KHWAJA
6977	EULESS	220 W. EULESS BLVD.	EULESS	TX	76040	N/A	YOGESH	DESAI
6761	EAST LANCASTER	6300 E LANCASTER AVE	FT WORTH	TX	76112	8174573944	IBRAHIM	AL-ZYOOD
6981	GRAND PRAIRIE	4010 S. BELTLINE RD.	GRAND PRAIRIE	TX	75052	N/A	KAMAL	KHADKA
864	IRVING	1725 EAST HIGHWAY 356	IRVING	TX	75060	2145960022	ATIQ	PRADHAN
6760	LINDALE	3318 SOUTH MAIN ST	LINDALE	TX	75771	9038826116	MOHAMMED	SNOUNBAR, JR
725	GROSS RD.	1015 GROSS RD.	MESQUITE	TX	75149	4697797224	NAZMUL	KARIM
6828	GALLOWAY	2400 N GALLOWAY AVE	MESQUITE	TX	75150	9726135553	FARHANA	SULSABIN
6762	NEDERLAND	3220 HWY 365	NEDERLAND	TX	77627	4097290179	SYED	SHAH
6996	PARKER	2224 WEST PARKER RD.	PLANO	TX	75075	N/A	CHAXUL	PATEL
6997	PLANO	609 E. PLANO PARKWAY	PLANO	TX	75075	N/A	DHARIN	PATEL

Store Number	Store Name	Store Address	Store City	Store State	Store Zip	Store Phone Number	Operator First Name	Operator Last Name
6778	PORT ARTHUR	3939 TWIN CITY HWY	PORT ARTHUR	TX	77642	4099629990	RAHIM	MAKNOIJA
6783	TWIN CITY	2705 MEMORIAL BLVD.	PORT ARTHUR	TX	77640	4099821111	NARASI	CHANDAMURI
6792	ISLE OF WIGHT	13028 CARROLLTON BLVD	CARROLLTON	VA	23314	2013609701	MINA	SURTI
6787	HOPEWELL	1900 W HUNDRED RD	CHESTER	VA	23831	8047172330	LOMA	PATEL
6966	EAST HUNDRED	1740 EAST HUNDRED RD	CHESTER	VA	23836	8046810472	NICK	CHOWDHURY
6957	GLOUCESTER	1570 GEORGE WASHINGTON MEMORIAL HWY	GLOUCESTER POINT	VA	23062	8042521142	AHMED	MAKHANI
6786	MERCURY	4201 WEST MERCURY BLVD	HAMPTON	VA	23666	N/A	SANKET	SHAH
6799	N. ARMISTEAD	1503 N. ARMISTEAD AVE	HAMPTON	VA	23666	7578252466	CHINTAK	PATEL
6791	WARWICK BLVD	15684 WARWICK BLVD	NEWPORT NEWS	VA	23602	7573699290	NASER	MIR
6798	OYSTER POINT	341 OYSTER POINT RD.	NEWPORT NEWS	VA	23602	N/A	AMIT	RAVAL
6789	JEFF DAVIS	5600 ROUTE 1	NORTH CHESTERFIELD	VA	23234	7043076164	DISHANTKUMAR	PATEL
6702	PETERSBURG	2058 COUNTY DRIVE	PETERSBURG	VA	23803	5012697318	NICK	CHOWDHURY
958	HULL STREET	6825 HULL STREET RD.	RICHMOND	VA	23225	8042768359	NIMESH	PATEL
6794	MIDLOTHIAN PIKE	6333 MIDLOTHIAN TURNPIKE	RICHMOND	VA	23224	8046745360	DISHANTKUMAR	PATEL
6795	SOUTH HILL	1101 E. ATLANTIC ST	SOUTH HILL	VA	23970	4349175890	MICHAEL	SMITH
6793	SUFFOLK	1216 PORTSMOUTH BLVD	SUFFOLK	VA	23434	7076941849	KRISHNA	GAUTAM
981	TAPPAHANNOCK	1486 TAPPAHANNOCK BLVD	TAPPAHANNOCK	VA	22560	N/A	MUNEER	ABDULLAH
6796	VIRGINIA BEACH	5549 VIRGINIA BEACH BLVD.	VIRGINIA BEACH	VA	23462	7579888787	HARDIK	PATEL

**LIST OF FRANCHISE AGREEMENTS SIGNED, BUT LOCATION IS NOT YET OPEN AS OF DECEMBER 31, 2023**

STORE NUMBER	STORE ADDRESS	STORE CITY	STORE STATE	STORE ZIP	STORE PHONE NUMBER	OPERATOR FIRST NAME	OPERATOR LAST NAME
6992	3423 MLK Jr. Pkwy	Phenix City	AL	36869	N/A	Sezal	Bhandari
7003	5051 Lantana Rd.	Lake Worth	FL	33463	N/A	Mashuk	Ahmed
6942	9535 Mansfield Road	Shreveport	LA	71118	318-682-9946	Kumar	Khakda
930	2277 Hisslborough Blvd	Manchester	TN	37355	931-723-4715	Sam	Ghali
6792	13028 Carrollton Blvd.	Carrollton	VA	23314	757-238-2090	Hardik	Patel
6786	4201 W. Mercury Blvd.	Hampton	VA	23666	757-825-2221	Sanket	Shah

**EXHIBIT I**

**FORMER FRANCHISEE CONTACT INFORMATION**

Corporation Name	Operator First Name	Operator Last Name	Outlet City	Outlet State	Last Known Phone Number
MAYTRONS, LLC	RAJIV	SHARMA	DOTHON	AL	3342205820
MUHAMMAD & FARKHANDA KHAN	MUHAMMAD	KHAN	HOOVER	AL	2059487097
GASCON, INC.	ISHVARLAL	PATEL	LEEDS	AL	2054828787
LONESTAR LEGACIES, INC	MOHSIN	SEEHAR	MOBILE	AL	2515331000
SANJAY AND LINA PATEL	SANJAY	PATEL	PRATTVILLE	AL	3342215817
KWIK MART, LLC	MOHAMED	ALI AL-MOHADID	SELMA	AL	2053545862
NEWARK PETROLEUM, INC.	KAZIM	KHAN	TEXARKANA	AR	8707790141
LOTUS BMG FLORIDA, LLC	BISHWAS	KHANAL	WALDO	FL	4056005706
SHIN SUNG ONE WAY, LLC	JUNOK	CHUNG	MACON	GA	4044441964
KD TRADING, INC.	Dilip	Patel	RICHMOND HILL	GA	9124419249
NAVNEET PETROLEUM, LLC	BALWINDER	KAUR	NEW IBERIA	LA	3375805757
H&R RACEWAY, LLC	RUPINDER	REKHI	JACKSON	MS	6016228458
J&I&R RACEWAY, LLC	RUPINDER	REKHI	JACKSON	MS	6016228458
MKA HOLDING, INC.	IMRAN	FARZAND	CHARLOTTE	NC	7044025566
HARJINDER SINGH AND KULBIR KAUR	HARJINDER	SINGH	HICKORY	NC	8283244135
HARJINDER SINGH AND KULBIR KAUR	HARJINDER	SINGH	LINCOLNTON	NC	9178348529
SHREE JAI GANESHJI, INC.	DIPAK R.	PATEL	TARBORO	NC	2529858369
MOHINSHIBU 2017, LLC	BHAVESHKUMAR	AMIN	FLORENCE	SC	7329837332
SHIBUMOHIN 2017, LLC	BHAVESHKUMAR	AMIN	FLORENCE	SC	7329837332
BROPAL PETROLEUM, LLC	CLINT	BROCK	CHATTANOOGA	TN	4045454852
SMARTSTOP, LLC	RAJAN	KARKI	HERMITAGE	TN	7187158457
PARESH & MALINI DALAL	PARESH	DALAL	ARLINGTON	TX	6822340962
PROMPT RW, LLC	BROOK	CRAWFORD	TARRANT	TX	2145009119
SHIVAAY, LLC	AMIT	PATEL	NEWPORT NEWS	VA	7323435497
TAPPAHANNOCK EXPRESS, LLC	YASSEN	MIFLAHI	TAPPAHANNOCK	VA	5406847309

**EXHIBIT J**

**BEAN 2 CUP LEASE**

(See attached)

## EQUIPMENT LEASE AGREEMENT

This EQUIPMENT LEASE AGREEMENT (this “Agreement”) is entered into and effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_\_ (the “Effective Date”) by and between the **RaceTrac, Inc.**, a Georgia corporation (“Owner”) with its corporate headquarters located at 200 Galleria Parkway SE, Suite 900, Atlanta, GA 30339 and \_\_\_\_\_, a \_\_\_\_\_ (the “Lessee”). Owner and Lessee may each be individually referred to herein as a “Party” and collectively as the “Parties”.

**WHEREAS**, Owner and Lessee are parties to a separate Lease Agreement (the “Real Estate Lease Agreement”) for the convenience store facilities located at the site(s) specified on Exhibit 1 (Lease Description) (the “Store(s)”);

**WHEREAS**, Owner is the owner of certain Equipment described in Exhibit 1 (Lease Description); and

**WHEREAS**, Lessee desires to lease the Equipment from Owner, and Owner desires to lease the Equipment to Lessee under the terms and conditions set forth in this Agreement.

**NOW THEREFORE**, for and in consideration of the mutual covenants and premises set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

**I.** Structure of the Agreement. This Agreement includes each of the exhibits, attachments, and schedules attached hereto. Unless otherwise expressly stated, references to specific exhibits include all numbered subsidiary attachments and schedules. In the event of a conflict between a provision in the body of this Agreement and a provision in an exhibit to this Agreement, the provision in the body of this Agreement shall prevail

**II.** Term. The term of this Agreement will commence on the Effective Date and, unless terminated prior to commencement of the Lease Term as otherwise provided in this Agreement, continue until termination or expiration of each of the Lease Term(s) (the “Term”). Unless earlier terminated as set forth herein, the lease for each item of Equipment will commence on the date on which all Required Installation Services (as specified in Exhibit 1) with respect to such item of Equipment have been completed (the “Installation Completion Date”) and will continue for the Lease Term specified in Exhibit 1 (Lease Description) (the “Lease Term”).

**A.** Lessee will have the right, upon thirty (30) days prior written notice to Owner, to terminate this Agreement upon each anniversary of the due date for the first Monthly Lease Payment so long as Lessee purchases the Equipment at the Voluntary Termination Payment applicable to such anniversary (as specified in Schedule 1-1).

**III.** General Terms and Conditions. This Agreement is entered into pursuant to and is subject to the general terms and conditions attached hereto as Exhibit 2 and incorporated by reference (the “General Terms”).

**IN WITNESS WHEREOF**, and intending to be legally bound hereby, the Parties hereto, as of the date first written above, have caused this Agreement to be executed in their respective names by their duly authorized representatives.

**RaceTrac, Inc.**

[INSERT APPROPRIATE ENTITY NAME]

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit 1**  
**Lease Description**

**1. Store Address:**

[Store Address]

[Store Address]

[Store Address]

**2. Equipment:**

<b>Equipment Description</b>	<b>Quantity</b>
B2C Machine	2
Cappuccino Machine	1
Creamer Machine	1
Wire Cup and Lid Dispenser	2
Wall Texture and Permanent Signage	1
Promotional Signage Kit	1

**3. Lease Term:** 63 Months

**4. Monthly Lease Payment:** Specified in Schedule 1-1 attached hereto.

**5. Required Installation Services:**

- Remove existing coffee machines and signage
- Modify existing countertops, plumbing, electrical, and other features as necessary for installation of Equipment
- Install B2C Machines
- Start up B2C Machines

**6. Fair Market Value:** Specified in Schedule 1-1 attached hereto.

**7. Owner Notice Information:**

RaceTrac, Inc.  
200 Galleria Parkway SE, Suite 900  
Atlanta, GA 30339  
Attn: Legal Department  
Email: mattharris@racetrac.com  
with a copy to jakers@racetrac.com

**8. Lessee Notice Information:**

**[To Be Inserted]**

**Schedule 1-1**  
**Payment/Amortization Schedules**

## Payment/Amortization Schedule for One Bean2Cup Machine

Month	Payment*	FMV	Voluntary Termination		*Sales Tax will be added to Monthly Payment Total
			Payment	Payment	
1	0	\$ 16,771	\$ 16,771	\$ 16,771	No Payments for Months 1-3
2	0	\$ 16,771	\$ 16,771	\$ 16,771	No Payments for Months 1-3
3	0	\$ 16,771	\$ 16,771	\$ 16,771	No Payments for Months 1-3
4	\$340	\$ 16,543	\$ 16,543	\$ 16,543	
5	\$340	\$ 16,313	\$ 16,313	\$ 16,313	
6	\$340	\$ 16,082	\$ 16,082	\$ 16,082	
7	\$340	\$ 15,849	\$ 15,849	\$ 15,849	
8	\$340	\$ 15,614	\$ 15,614	\$ 15,614	
9	\$340	\$ 15,378	\$ 15,378	\$ 15,378	
10	\$340	\$ 15,141	\$ 15,141	\$ 15,141	
11	\$340	\$ 14,902	\$ 14,902	\$ 14,902	
12	\$340	\$ 14,661	\$ 14,661	\$ 14,661	
13	\$340	\$ 14,419	\$ 14,419	\$ 14,419	
14	\$340	\$ 14,175	\$ 14,175	\$ 14,175	
15	\$340	\$ 13,929	\$ 13,929	\$ 13,929	
16	\$340	\$ 13,682	\$ 13,682	\$ 13,682	
17	\$340	\$ 13,433	\$ 13,433	\$ 13,433	
18	\$340	\$ 13,183	\$ 13,183	\$ 13,183	
19	\$340	\$ 12,931	\$ 12,931	\$ 12,931	
20	\$340	\$ 12,677	\$ 12,677	\$ 12,677	
21	\$340	\$ 12,421	\$ 12,421	\$ 12,421	
22	\$340	\$ 12,164	\$ 12,164	\$ 12,164	
23	\$340	\$ 11,905	\$ 11,905	\$ 11,905	
24	\$340	\$ 11,644	\$ 11,644	\$ 11,644	
25	\$340	\$ 11,382	\$ 11,382	\$ 11,382	
26	\$340	\$ 11,118	\$ 11,118	\$ 11,118	
27	\$340	\$ 10,852	\$ 10,852	\$ 10,852	
28	\$340	\$ 10,584	\$ 10,584	\$ 10,584	
29	\$340	\$ 10,315	\$ 10,315	\$ 10,315	
30	\$340	\$ 10,043	\$ 10,043	\$ 10,043	
31	\$340	\$ 9,770	\$ 9,770	\$ 9,770	
32	\$340	\$ 9,495	\$ 9,495	\$ 9,495	
33	\$340	\$ 9,219	\$ 9,219	\$ 9,219	
34	\$340	\$ 8,940	\$ 8,940	\$ 8,940	
35	\$340	\$ 8,659	\$ 8,659	\$ 8,659	

## Payment/Amortization Schedule for One Bean2Cup Machine

36	\$340	\$	8,377	\$	8,377
37	\$340	\$	8,093	\$	8,093
38	\$340	\$	7,807	\$	7,807
39	\$340	\$	7,519	\$	7,519
40	\$340	\$	7,229	\$	7,229
41	\$340	\$	6,937	\$	6,937
42	\$340	\$	6,643	\$	6,643
43	\$340	\$	6,347	\$	6,347
44	\$340	\$	6,050	\$	6,050
45	\$340	\$	5,750	\$	5,750
46	\$340	\$	5,448	\$	5,448
47	\$340	\$	5,145	\$	5,145
48	\$340	\$	4,839	\$	4,839
49	\$340	\$	4,531	\$	4,531
50	\$340	\$	4,221	\$	4,221
51	\$340	\$	3,909	\$	3,909
52	\$340	\$	3,595	\$	3,595
53	\$340	\$	3,279	\$	3,279
54	\$340	\$	2,961	\$	2,961
55	\$340	\$	2,641	\$	2,641
56	\$340	\$	2,318	\$	2,318
57	\$340	\$	1,994	\$	1,994
58	\$340	\$	1,667	\$	1,667
59	\$340	\$	1,338	\$	1,338
60	\$340	\$	1,007	\$	1,007
61	\$340	\$	673	\$	673
62	\$340	\$	338	\$	338
63	\$340	\$	0	\$	0

## Payment/Amortization Schedule for Two Bean2Cup Machines

Month	Payment*	FMV	Voluntary Termination		*Sales Tax will be added to Monthly Payment Total
			Payment		
1	0	\$ 27,211	\$ 27,211		No Payments for Months 1-3
2	0	\$ 27,211	\$ 27,211		No Payments for Months 1-3
3	0	\$ 27,211	\$ 27,211		No Payments for Months 1-3
4	\$552	\$ 26,841	\$ 26,841		
5	\$552	\$ 26,468	\$ 26,468		
6	\$552	\$ 26,093	\$ 26,093		
7	\$552	\$ 25,715	\$ 25,715		
8	\$552	\$ 25,334	\$ 25,334		
9	\$552	\$ 24,952	\$ 24,952		
10	\$552	\$ 24,566	\$ 24,566		
11	\$552	\$ 24,178	\$ 24,178		
12	\$552	\$ 23,788	\$ 23,788		
13	\$552	\$ 23,395	\$ 23,395		
14	\$552	\$ 22,999	\$ 22,999		
15	\$552	\$ 22,600	\$ 22,600		
16	\$552	\$ 22,199	\$ 22,199		
17	\$552	\$ 21,796	\$ 21,796		
18	\$552	\$ 21,389	\$ 21,389		
19	\$552	\$ 20,980	\$ 20,980		
20	\$552	\$ 20,568	\$ 20,568		
21	\$552	\$ 20,153	\$ 20,153		
22	\$552	\$ 19,736	\$ 19,736		
23	\$552	\$ 19,316	\$ 19,316		
24	\$552	\$ 18,893	\$ 18,893		
25	\$552	\$ 18,467	\$ 18,467		
26	\$552	\$ 18,039	\$ 18,039		
27	\$552	\$ 17,607	\$ 17,607		
28	\$552	\$ 17,173	\$ 17,173		
29	\$552	\$ 16,735	\$ 16,735		
30	\$552	\$ 16,295	\$ 16,295		
31	\$552	\$ 15,852	\$ 15,852		
32	\$552	\$ 15,406	\$ 15,406		
33	\$552	\$ 14,957	\$ 14,957		

## Payment/Amortization Schedule for Two Bean2Cup Machines

34	\$552	\$	14,505	\$	14,505
35	\$552	\$	14,050	\$	14,050
36	\$552	\$	13,592	\$	13,592
37	\$552	\$	13,131	\$	13,131
38	\$552	\$	12,667	\$	12,667
39	\$552	\$	12,199	\$	12,199
40	\$552	\$	11,729	\$	11,729
41	\$552	\$	11,255	\$	11,255
42	\$552	\$	10,779	\$	10,779
43	\$552	\$	10,299	\$	10,299
44	\$552	\$	9,816	\$	9,816
45	\$552	\$	9,329	\$	9,329
46	\$552	\$	8,840	\$	8,840
47	\$552	\$	8,347	\$	8,347
48	\$552	\$	7,851	\$	7,851
49	\$552	\$	7,352	\$	7,352
50	\$552	\$	6,849	\$	6,849
51	\$552	\$	6,343	\$	6,343
52	\$552	\$	5,833	\$	5,833
53	\$552	\$	5,320	\$	5,320
54	\$552	\$	4,804	\$	4,804
55	\$552	\$	4,284	\$	4,284
56	\$552	\$	3,761	\$	3,761
57	\$552	\$	3,235	\$	3,235
58	\$552	\$	2,704	\$	2,704
59	\$552	\$	2,171	\$	2,171
60	\$552	\$	1,633	\$	1,633
61	\$552	\$	1,093	\$	1,093
62	\$552	\$	548	\$	548
63	\$552	\$	(0)	\$	(0)

## Payment/Amortization Schedule for Three Bean2Cup Machines

Month	Payment*	FMV	Voluntary Termination		*Sales Tax will be added to Monthly Payment Total
			Payment		
1	0	\$ 38,851	\$ 38,851		No Payments for Months 1-3
2	0	\$ 38,851	\$ 38,851		No Payments for Months 1-3
3	0	\$ 38,851	\$ 38,851		No Payments for Months 1-3
4	\$788	\$ 38,322	\$ 38,322		
5	\$788	\$ 37,790	\$ 37,790		
6	\$788	\$ 37,254	\$ 37,254		
7	\$788	\$ 36,715	\$ 36,715		
8	\$788	\$ 36,172	\$ 36,172		
9	\$788	\$ 35,625	\$ 35,625		
10	\$788	\$ 35,075	\$ 35,075		
11	\$788	\$ 34,521	\$ 34,521		
12	\$788	\$ 33,963	\$ 33,963		
13	\$788	\$ 33,402	\$ 33,402		
14	\$788	\$ 32,837	\$ 32,837		
15	\$788	\$ 32,268	\$ 32,268		
16	\$788	\$ 31,695	\$ 31,695		
17	\$788	\$ 31,119	\$ 31,119		
18	\$788	\$ 30,539	\$ 30,539		
19	\$788	\$ 29,955	\$ 29,955		
20	\$788	\$ 29,366	\$ 29,366		
21	\$788	\$ 28,774	\$ 28,774		
22	\$788	\$ 28,179	\$ 28,179		
23	\$788	\$ 27,579	\$ 27,579		
24	\$788	\$ 26,975	\$ 26,975		
25	\$788	\$ 26,367	\$ 26,367		
26	\$788	\$ 25,755	\$ 25,755		
27	\$788	\$ 25,139	\$ 25,139		
28	\$788	\$ 24,519	\$ 24,519		
29	\$788	\$ 23,894	\$ 23,894		
30	\$788	\$ 23,266	\$ 23,266		
31	\$788	\$ 22,633	\$ 22,633		
32	\$788	\$ 21,996	\$ 21,996		
33	\$788	\$ 21,355	\$ 21,355		
34	\$788	\$ 20,710	\$ 20,710		
35	\$788	\$ 20,060	\$ 20,060		

## Payment/Amortization Schedule for Three Bean2Cup Machines

36	\$788	\$	19,406	\$	19,406
37	\$788	\$	18,748	\$	18,748
38	\$788	\$	18,085	\$	18,085
39	\$788	\$	17,418	\$	17,418
40	\$788	\$	16,746	\$	16,746
41	\$788	\$	16,070	\$	16,070
42	\$788	\$	15,389	\$	15,389
43	\$788	\$	14,704	\$	14,704
44	\$788	\$	14,014	\$	14,014
45	\$788	\$	13,320	\$	13,320
46	\$788	\$	12,621	\$	12,621
47	\$788	\$	11,918	\$	11,918
48	\$788	\$	11,209	\$	11,209
49	\$788	\$	10,496	\$	10,496
50	\$788	\$	9,778	\$	9,778
51	\$788	\$	9,056	\$	9,056
52	\$788	\$	8,329	\$	8,329
53	\$788	\$	7,596	\$	7,596
54	\$788	\$	6,859	\$	6,859
55	\$788	\$	6,117	\$	6,117
56	\$788	\$	5,370	\$	5,370
57	\$788	\$	4,618	\$	4,618
58	\$788	\$	3,861	\$	3,861
59	\$788	\$	3,099	\$	3,099
60	\$788	\$	2,332	\$	2,332
61	\$788	\$	1,560	\$	1,560
62	\$788	\$	783	\$	783
63	\$788	\$	0	\$	0

**Exhibit 2**  
**General Terms and Conditions**

**1. Equipment Lease.**

1.1. **Equipment.** Subject to the terms and conditions specified herein, beginning on the Installation Completion Date, Owner shall lease to Lessee the equipment specified in Exhibit 1 (Lease Description) (the “**Equipment**”) for the Lease Term.

1.2. **Lease Payments.** In exchange for the lease described above, beginning on the Installation Completion Date, Lessee shall pay to Owner the monthly lease payments associated with each item of Equipment, as specified in Schedule 1-1 (Lease Description) (the “**Monthly Lease Payment**”) on or prior to the first day of each calendar month during the Lease Term. With respect to any partial calendar months during the Lease Term, Lessee shall pay to Owner a portion of the Monthly Lease Payment prorated based on the number of days in such partial month compared to the total number of days in the calendar month.

**2. Equipment Delivery, Installation, and Maintenance; Responsibility; Waiver of Warranties.**

2.1. **Installation Services.** At a time mutually agreed upon by the Parties, Owner shall cause the Products Provider to deliver and install the Equipment at the Store(s), as specified in Exhibit 2 (Installation Services Description) (the “**Installation Services**”) without additional charges to those specified herein.

2.2. **Damage to Equipment.** Lessee shall be responsible for any loss of or damage to Equipment from any cause at all, whether or not insured, during the Lease Term. If the Equipment is lost, stolen or damaged, Lessee will promptly notify Owner of such event. In no event shall such loss or damage relieve Lessee of its obligations under this Agreement (including any obligation of payment).

2.3. **Manufacturer Warranties.** To the extent permitted by any Owner agreement with the manufacturer of the Equipment, any warranties or other commitments regarding performance of the Equipment will be assigned or otherwise passed through to Lessee. Owner will provide Lessee with reasonable assistance in filing and pursuing any claims against the applicable manufacturer of the Equipment for claims of breach of warranty or other claims regarding performance of the Equipment which Lessee may make against the manufacturer of such Equipment; provided, that, in no case will Owner be responsible for any failure of any such warranty claim, the responsibility for which will rest solely with Lessee.

2.4. **Disclaimer of Warranties.** **NOTWITHSTANDING ANYTHING TO THE CONTRARY SPECIFIED HEREIN, OWNER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE FITNESS, QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY, MERCHANTABILITY OR PERFORMANCE OF THE EQUIPMENT OR OF THE MATERIAL OR WORKMANSHIP THEREOF. ALL WARRANTIES, EXPRESS AND IMPLIED, ARE HEREBY EXPRESSLY DISCLAIMED.** Lessee waives and agrees not to assert any claim whatsoever against Owner, and Owner shall have no liability to any person or entity whatsoever, for losses, damages or costs, including without limitation lost profits or consequential or other damages arising from its use of the Equipment.

**3. Payment Terms; Late Charges; Payment Assurance; Taxes.**

3.1. **Payment.** Owner shall have the right to electronically transfer fees owed by Lessee hereunder using the same mechanism by which Lessee pays rent and other amounts to Owner under the Real Estate Lease Agreement and in accordance with the mechanism and other relevant terms specified therein. The initial Monthly Lease Payment is payable on the first (1st) day of the Lease Term, and on or before the first (1st) day of each calendar month during the Lease Term without offset or deduction. The Monthly Lease Payment for any period during the Lease Term which does not constitute a full month will be prorated in accordance with the mechanism specified in Section 1.2.

3.2. **Past Due Lease Payments.** Lessee must maintain a balance in its account sufficient to allow Owner to collect the amounts owed hereunder when due. Tenant is responsible for any penalties, fines, fees

or other similar expenses associated with the transfer of funds described in this Section 3. Any unpaid amounts which Lessee owes Owner hereunder (and which are past due) shall bear interest at a rate of eighteen percent (18%) per annum, or the maximum rate allowable by applicable law or regulation, whichever is less, from and after the date such amount becomes past due. No payment by Lessee or receipt by Owner of a lesser amount than due will be deemed to be other than a payment on account, nor will any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction of any kind. Owner may accept checks or payment without prejudice to the right to recover the balance or pursue any other remedy.

### **3.3. Assurance of Payment.**

3.3.1. Lessee acknowledges and agrees that (i) Owner shall have the right to secure performance of Lessee's obligations under this Agreement using the Security Deposit provided by Lessee under the Real Estate Lease Agreement between the Parties (as the term Security Deposit is defined therein), (ii) upon the occurrence of any Event of Default or breach hereunder, Owner may, in Owner's sole and absolute discretion, use, apply, or retain the whole or any part of the Security Deposit to the extent required for the payment of any Monthly Lease Payment or any other sum as to which Lessee is in default, and (iii) Owner may recoup any unpaid amounts due from Lessee hereunder (including any amounts arising from Lessee breach of this Agreement), as well as any losses or liability arising from theft or loss of or damage to the Equipment, from such Security Deposit. Lessee acknowledges and agrees that the Security Deposit is not an advance payment of the Monthly Lease Payment in the case of default by Lessee.

3.3.2. In addition to the Security Deposit, upon request by Owner, any individuals with an ownership interest in Lessee shall execute a personal guaranty (the "**Guaranty**") in consistent with the form guaranty attached hereto as Schedule 2-1 (Guaranty).

3.4. **Taxes.** Lessee shall be responsible for payment all sales, use, excise, personal property or other taxes (excepting state and federal income taxes and other taxes upon the "net income" of Owner) that may be imposed on either Party as a result of this transaction. Owner will make good faith efforts to include any taxes for which Owner is responsible for payment to the appropriate government entity as a separate line item on each invoice delivered hereunder and will have the right to transfer any such taxes from Lessee's designated account in accordance with Section 3.1; provided, that Lessee will nonetheless remain responsible for payment of any such taxes, regardless of whether Owner transfers such amounts from Lessee hereunder. **Lessee shall indemnify, defend and hold Owner, its regents, employees, and agents harmless from all liabilities, suits, judgments, obligations, fines, penalties, claims, costs, and expenses (including reasonable attorneys' fees) arising out of the imposition of, or attempt to impose, any taxes arising from the transactions contemplated hereunder on Owner.**

## **4. Lessee Obligations; Restriction on Use of the Equipment.**

4.1. **Product Use.** During the Lease Term, Lessee shall use certain items necessary for operation of the machines and sales of coffee to consumers at the Store (e.g., coffee beans, cups, lids, stirrers, *etc.*) (collectively, the "**Products**"). Notwithstanding the foregoing, Owner bears no responsibility for the provision of the Products hereunder, which shall be provided by a third party provider of such Products (the "**Products Provider**") on a direct-store-delivery basis. Notwithstanding the foregoing, Lessee shall have no right to use any products or materials in, or in connection with, the Equipment, except those that have been expressly approved by Owner and which are delivered by the Products Provider designated by Owner (and subject to contractual terms and conditions expressly approved by Owner), and Owner shall have the right, at any time upon written notice, to change the Products Provider, the mix of Products approved for use in and with the Equipment, and the contractual terms under which such Products Provider will provide the Products to Lessee.

4.2. **Maintenance.** Throughout the Lease Term, Lessee shall provide for the service, repair and maintenance of the Equipment (including routine maintenance), at Lessee's sole expense, so as to keep the Equipment in as good condition, repair, appearance and working order as when delivered to Lessee hereunder, ordinary wear and tear excepted. Lessee shall be responsible for routine maintenance required by

manufacturer's schedule. Owner shall have the right to designate "approved" service providers for the Equipment, in which case Lessee will be obligated to use only such "approved" service providers for the service, repair, and maintenance of the Equipment.

4.3. Operations Standards. Lessee shall comply with any standards of operation, cleanliness, sanitation and product quality with respect to the Equipment or Products which are provided by Owner, either before or during the Lease Term, as well as any operations manual from the manufacturer of such Equipment which is provided by Owner or otherwise made available by the manufacturer (collectively, the "Guidelines"). If there is a conflict between the terms of this Agreement and any of the provisions of the Guidelines, then the terms of this Agreement will govern. Owner's representatives may make announced or unannounced visits to the Store to ensure compliance with the Guidelines and this Agreement.

4.4. Use of Equipment. Lessee shall exercise due care in its operation, use and maintenance of the Equipment. Lessee shall not use, and shall not permit others to use, the Equipment in any manner that would contravene applicable laws, rules, regulations and other governmental directives, would violate the terms of any manufacturer's or like warranty, or would contravene the manufacturer's reasonable operational standards for the Equipment. If Owner notifies Lessee of any additional Guidelines, Lessee shall adhere, and shall cause others using the Equipment under this Agreement to adhere, to such Guidelines. Lessee shall not alter or modify the Equipment without the prior written consent of Owner.

4.5. Permits. Lessee shall obtain all permits and licenses necessary for the installation, operation, possession and use of the Equipment. Lessee shall comply with all laws, rules, regulations and other governmental directives applicable to the installation, use, and operation of the Equipment and, if compliance with such law, rule, regulation or other governmental directive requires changes or additions to be made to the Equipment, such changes or additions shall be made by Lessee at Lessee's sole cost and expense upon Owner's written approval of the same.

4.6. Liens and Lien Claims. Title to the Equipment shall at all times remain in Owner during the Lease Term. Lessee shall at all times protect and defend, at its expense, the title of Owner, shall keep all of the Equipment free and clear from all claims, liens and processes and shall indemnify, defend and hold harmless Owner for any loss, costs or expenses incurred by Owner in defending its unencumbered title.

4.7. Insurance. Lessee shall, on or prior to delivery and installation of the Equipment to the Store, take such actions as are necessary to include the Equipment on the appropriate schedule to Lessee's property insurance policy covering the Store and have Owner named as a loss payee for such Equipment under such policy. Lessee shall, promptly upon request by Owner, provide Owner with documentation reasonably sufficient to demonstrate that Owner is a loss payee with respect to the Equipment under Lessee's property insurance policy. If Owner does not believe that the documentation provided by Lessee is reasonably sufficient to demonstrate Owner's status as a loss payee with respect to the Equipment, Lessee shall, upon notice from Owner of such insufficiency, obtain additional documentation by Owner and Owner will have no obligation to provide the Equipment unless and until documentation reasonably satisfactory to Owner is provided (and, if occurring after the Installation Completion Date, Owner will have the right to suspend Lessee's right to use the Equipment unless and until such documentation is provided).

4.8. Additional Lessee Covenants. Lessee covenants and agrees that Lessee shall at its cost and expense: (1) pay all charges and expenses in connection with the operation of each item of Equipment; and (2) ensure that the Equipment will remain "personal property" which will not be permanently attached or affixed to real estate and that it will not constitute a "fixture" as that term may be defined in the applicable jurisdiction where the applicable Store is located.

## 5. Signage and Trade Dress.

5.1. Signage. During the Lease Term, Lessee must use, in the manner specified by Owner, all signage, marketing items, marketing plans, and similar items prescribed by Owner for use in connection with use of Equipment and sales or use of Products in the Store(s).

5.2. Lessee-Proposed Signage. Lessee may use additional signage, trade dress, marketing plans, and/or marketing materials (collectively, "Marketing Materials") in connection with the Equipment and/or

Products; provided, that (i) such Lessee Marketing Materials will not (a) violate law or regulation, (b) infringe upon the intellectual property rights of any third party, or (c) be scandalous, immoral, disparaging, or inaccurate; and (ii) Lessee will submit such plans to Owner a reasonable period of time prior to implementing such Marketing Materials, and (iii) Lessee will immediately terminate use of any Marketing Materials upon request from Owner.

5.3. **Exclusive Use of Signage.** Lessee acknowledges and agrees that, without limiting any obligations under the Real Estate Lease Agreement and in addition to such obligations, all signage, marketing materials, and trade dress utilizing intellectual property or other materials proprietary to Owner and/or Owner's signature graphics and artwork that have been prepared for use in connection with the Equipment and/or Products are solely for use at the Store in connection with the Equipment, under the terms of this Agreement, and Lessee hereby agrees not to sell to any third party any of those graphics, materials, and/or artwork.

6. **Default; Remedies.**

6.1. **Events of Default.** Each of the following shall be considered an "**Event of Default**" hereunder:

6.1.1. The Real Estate Lease is terminated for any reason;

6.1.2. Lessee fails to pay any amount due hereunder and fails to cure such non-payment within five (5) business days following receipt of notice of such failure to pay from Owner;

6.1.3. Lessee uses any product in connection with the Equipment other than those Products approved by Owner and provided by the Products Provider;

6.1.4. Lessee otherwise breaches this Agreement (and such breach could reasonably be described as material) and fails to cure such breach within ten (10) days following receipt of notice of such breach from Owner;

6.1.5. Lessee experiences any of the following: (a) files a petition in bankruptcy for liquidation, (b) has an involuntary petition in bankruptcy filed against it which is not challenged within ten (10) days and dismissed within thirty (30) days, (c) becomes insolvent, (d) makes a general assignment for the benefit of creditors, (e) is unable to pay its debts as they mature, (f) has a receiver appointed for its assets, (g) has any significant portion of its assets attached, (h) receives a "going concern" explanation or qualification from its external auditor or (i) otherwise ceases to function as a going concern or to conduct its operations in the normal course of business; or

6.1.6. Lessee assigns this Agreement (or any portion thereof) in violation of Section 9.3.

6.2. **Remedies for Default.** Upon occurrence of an Event of Default, Owner shall have the right to do any or all of the following:

6.2.1. terminate this Agreement in whole, or only with respect to those items of Equipment which are subject to the Event of Default, at Owner's sole and complete discretion;

6.2.2. either of the following (as determined at Owner's sole and complete discretion):

6.2.2.1. declare the aggregate amount of all remaining, unpaid Monthly Lease Payments immediately due and payable and transfer all such amounts using the electronic transfer method described in Section 3.1;

6.2.2.2. take possession of any or all items of the Equipment without demand, notice, or legal process, wherever they may be located (and Lessee hereby waives any and all damages occasioned by such taking of possession); and

6.2.3. pursue any other remedy available at law or in equity.

6.3. **Termination.** Notwithstanding anything to the contrary specified herein, Owner may terminate this Agreement at any time upon thirty (30) days' prior written notice to Lessee.

6.4. **Purchase or Return of Equipment.**

6.4.1.Upon termination of this Agreement prior to expiration of the Lease Term pursuant to Section 6.3, Lessee, may, at its option, elect to do either of the following:

6.4.1.1. purchase the Equipment from Owner within ten (10) days following the effective date of termination of the Agreement, for the fair market value specified in Schedule 2-1 and determined as of the effective date of termination of this Agreement; or

6.4.1.2. Deliver the Equipment to Owner, at Lessee's sole costs and expense and in good working order (ordinary wear and tear excepted), within ten (10) days following the effective date of termination of the Agreement, in which case Lessee shall be responsible for any damage to the Equipment in shipping the Equipment back to Owner. In the event the Owner provides shipping instructions to Lessee, Lessee shall comply with such shipping instructions.

6.4.2.In the event of expiration of the Lease Term without early termination, then ownership of the Equipment will automatically vest in Lessee, and Owner hereby transfers title to such Equipment as of expiration of the Lease Term to Lessee.

7. Indemnification. Lessee shall indemnify, defend and hold Owner and its employees, representatives, officers, shareholders, agents and contractors harmless from all losses, liabilities, actions, suits, judgments, obligations, fines, penalties, claims, costs and expenses (including reasonable attorneys' fees and investigative fees) arising out of the lease of the Equipment hereunder and all acts and omissions of Lessee (including its employees, representatives, contractors, or customers) related thereto.

8. Limitations of Damages and Remedies.

8.1. Even if advised of the possibility of such damages, in no event shall Owner be liable for (i) personal injury or property damages, or (ii) lost profits, work stoppage, lost data, or any other special, indirect or consequential damages of any kind.

8.2. In the event of Owner's breach or failure to perform any obligation under this Agreement, Owner's entire liability and the Lessee's exclusive remedy shall be, at Owner's option, either (i) return of the monetary consideration paid to Owner under this Agreement, or (ii) Owner's performance of any obligation that failed to satisfy the terms of this Agreement, including the repair of any damaged or defective Equipment.

9. General Provisions.

9.1. Confidentiality. Lessee agrees that all information as to source, quantity, and price of Equipment (and any ancillary services provided by Owner or the Products Provider hereunder) shall be maintained in confidence and shall not be released to any person for any reason whatsoever other than pursuant to a validly issued subpoena from a court or government authority having jurisdiction over Lessee.

9.2. Entire Agreement; Amendment. This Agreement (including all attached or referenced exhibits, addenda and schedules) is intended by the Parties as the final and binding expression of their agreement and as the complete and exclusive statement of its terms. This Agreement cancels, supersedes and revokes all prior negotiations, representations and agreements between the Parties, whether written or oral, relating to the subject matter of this Agreement. The terms and conditions of any purchase order or similar document submitted by Lessee in connection with this Agreement shall not be binding upon Owner. This Agreement may be amended only in writing duly executed by all Parties.

9.3. Assignment. Lessee is not permitted to transfer, sub-license, sub-contract, delegate, or in any manner whatsoever assign any or all of its rights and obligations under this Agreement, except with the prior written consent of Owner in each instance, which consent shall be provided at Owner's sole and complete discretion.

9.4. Governing Law; Consent to Jurisdiction; Jury Waiver. This Agreement will be deemed made in and governed by the laws of the State of Georgia, without application of its principles regarding conflicts of law. Each Party irrevocably agrees that any legal action, suit, or other proceeding brought by it in any

way arising out of this Agreement must be brought solely and exclusively in the courts located in or encompassing Cobb County, Georgia. **Each party further waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any claim or dispute arising from or relating to this Agreement.**

9.5. Notices. Except as otherwise expressly set forth in this Agreement, all notices, requests and other communication that a Party is required or elects to deliver shall be in writing and shall be delivered personally, or by email (provided delivery is confirmed via read receipt), or by a recognized overnight courier service or by United States mail, first-class, certified or registered, postage prepaid, return receipt requests, to the other Party at its address set forth in Exhibit 1.

9.6. Severability. If one or more provisions of this Agreement, or the application of any provision to any Party or circumstance, is held invalid, unenforceable, or illegal in any respect, the remainder of this Agreement and the application of the provision to other Parties or circumstances shall remain valid and in full force and effect.

9.7. Negotiated Terms. The Parties agree that the terms and conditions of this Agreement are the result of negotiations between the Parties and that this Agreement shall not be construed in favor of or against either Party by reason of the extent to which such Party or its professional advisors participated in the preparation of this Agreement.

9.8. Waivers. No delay or omission by either Party to exercise any right or power it has under this Agreement shall impair or be construed as a waiver of such right or power. A waiver by any Party of any breach or covenant shall not be construed to be a waiver of any succeeding breach or any other covenant. All waivers must be signed by the Party waiving its rights.

9.9. Remedies Cumulative. No right or remedy herein conferred upon or reserved to either Party is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy under this Agreement, or under applicable law, whether now or hereafter existing. The election by a Party of any remedy provided for in this Agreement or otherwise available to such Party shall not preclude such Party from pursuing any other remedies available to such Party at law, in equity, by contract or otherwise.

9.10. Section Headings. All section headings are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

9.11. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Agreement.

## **SCHEDULE 2-1**

### **GUARANTY**

For value received, in consideration for and as an inducement for Owner to enter into the Equipment Lease Agreement with Lessee to which this Guaranty is attached, the undersigned personally guarantees to Owner, its successors and assigns the full performance and observance of all of the covenants, conditions and agreements, therein provided (including the non-competition, transfer and dispute resolution requirements) to be performed and observed by Lessee and the undersigned further agrees to be bound by all such covenants, conditions and agreements contained in the Equipment Lease Agreement. The undersigned further covenants and agrees that this personal guaranty shall remain and continue in full force and effect as to any renewal, modification or extension of the Equipment Lease Agreement. The undersigned agree(s) that the undersigned's liability under this Guaranty shall be direct and immediate, joint and several, and shall not be contingent upon pursuit by Owner of any other remedies against Lessee or any other person.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT K**

**RACEWAY FRANCHISEE PARTICIPATION AGREEMENT**  
**FOR COCA-COLA FREESTYLE**

**(See attached)**

**EXHIBIT F**  
**RACEWAY FRANCHISEE PARTICIPATION AGREEMENT FOR COCA-COLA FREESTYLE®**

The parties to this Franchisee Participation Agreement ("Agreement") are The Coca-Cola Company, acting by and through Coca-Cola North America ("Company") and the Raceway franchisee listed in the signature block below ("Customer"). This Agreement applies to all Coca-Cola series Freestyle dispensers installed in any of Customer's outlets in the United States, and allows Customer to participate under the RW Venture Holdings Inc. (the "Franchisor") Freestyle Agreement with Company ("Franchisor Freestyle Agreement"). Company and Customer agree as follows:

**1. FREESTYLE:** Customer has chosen to commercialize the Coca-Cola Freestyle ("Freestyle") fountain dispensing system of The Coca-Cola Company, by and through Coca-Cola North America ("Company"). The Freestyle fountain dispenser ("Freestyle Dispenser") combines ingredients (microdosed beverage components, beverage mixes and flavors stored in cartridges and nutritive and non-nutritive sweeteners stored in bag-in-boxes and/or cartridges) to create a wide variety of branded fountain beverages.

**2. TERM:** The Agreement will become effective when signed by both parties. The term of this Agreement (the "Term") shall begin as of the first day of the month in which it is signed by the Customer and will continue for a period of three (3) years, unless Franchisor, at its option and in its sole discretion during the first Year of the Term elects to extend the term of the Agreement for all Participating Franchisees for an additional two (2) years (for a total Term of five (5) years). When used in the Agreement, the term "Year" means each consecutive twelve-month period during the Term, beginning with the first day of the Term.

**3. PRICING AND ORDERING OF INGREDIENTS:**

a. Customer will purchase the ingredients for the Freestyle Dispensers from Company or its authorized distributors, at Company's then-current chain account prices, which are subject to change from time to time.

b. Company agrees that the over-all pricing for the ingredients available for purchase in the 48 contiguous United States and the District of Columbia in a given calendar year except for HFCS Sweetener will not increase in the next calendar year by more than the pricing at the end of the given year increased by the greater of: (i) 4%; or (ii) a percentage determined for that calendar year by the following calculation based upon changes to the Consumer Price Index for Food Away From Home as published by the Department of Labor ("CPI"). See Note in Exhibit B. Company will calculate the difference between (i) the monthly average of the CPI for the most recent prior October through September period ("CPI Most Recent Average") and (ii) the second most recent October through September period ("CPI Second Most Recent Average"). Company will then calculate what the percentage of this difference is as compared to the CPI Second Most Recent Average. See Example 1 in Exhibit B. The published CPI can be found at: <http://www.bls.gov/cpi/tables.htm>. If the Department of Labor discontinues publishing the CPI or materially changes the CPI, then Company will establish a different price ceiling methodology to be determined in its sole discretion.

c. Company agrees that the pricing for HFCS Sweetener purchased in the 48 contiguous United States and the District of Columbia in any given calendar year will be determined as follows. Company will calculate the difference between the monthly average of the Producer Price Index for Corn Sweetener as published by the Department of Labor ("PPI") for (i) the most recent prior October through September period ("PPI Most Recent Average") and (ii) the second most recent October through September period ("PPI Second Most Recent Average"). Company will then calculate what the percentage of this difference is as compared to the PPI Second Most Recent Average. If the percentage is positive (i.e., the PPI Most Recent Average was greater than the PPI Second Most Recent Average), then Company will not increase its HFCS Sweetener pricing in the given calendar year over the prior calendar year's most recent pricing by more than this percentage. If the percentage is negative (i.e., the PPI Most Recent Average was less than the PPI Second Most Recent Average), then Company will decrease its HFCS Sweetener pricing in the given calendar year by this percentage compared to the prior calendar year's most recent pricing. See Example 2 in Exhibit B. The published PPI can be found at: [http://www.bls.gov/ppi/ppi\\_dr.htm](http://www.bls.gov/ppi/ppi_dr.htm). If the Department of Labor discontinues publishing the PPI or materially changes the PPI, or if Company uses a different nutritive sweetener than HFCS, then Company will establish a different pricing methodology for its nutritive sweetener to be determined in its sole discretion.

d. Company will make available one or more means of ordering ingredients, subject to the Company's terms for each such means of ordering. The means of ordering may include: (i) placing orders on-line using Company approved forms of payment (currently via credit card or auto draft) at <http://cokesmart.com> (ii) an automated ordering system or (iii) ordering through distributors. Shipping charges may apply. Freestyle orders fulfilled directly by Company are subject to the terms attached as Exhibit A. Orders fulfilled by distributors are also subject to additional terms offered by each distributor. The means and terms of ordering ingredients are subject to change from time to time.

**4. PROGRAM FEE:** Customer will pay Company its then current chain account monthly program fee per Freestyle Dispenser ("Program Fee") plus applicable sales tax. The base Program Fee for any particular type of Freestyle Dispenser will not increase during the term of the Agreement above the then current amount for that particular type of Freestyle Dispenser. The base Program Fee includes the rent for the Freestyle equipment and mechanical reactive service (including parts and, if a Freestyle Dispenser cannot be repaired in the reasonable judgment of Company, the replacement of the Freestyle Dispenser), standard wireless connectivity and standard consumption data. Company agrees that it will offer a base Program Fee throughout the Term and that the base Program Fee will provide the basic functionality to operate a Freestyle Dispenser. The Program Fee will be paid using Company approved forms of payment.

Customer Initials: \_\_\_\_\_

Customer may be eligible for a tax exemption in certain states. **Tax exemption certificates are available for Texas, Ohio and Indiana at <http://www.cokesmart.com/forms/unlogged.htm>.**

**5. COOPERATION:** Customer agrees to implement mutually agreed upon merchandising. Customer will make available the Company's then current standard Freestyle brand set and digital content on all Freestyle Dispensers.

**6. EQUIPMENT:** Customer will lease the Freestyle Dispensers from Company subject to the terms attached as Schedule C. Rent is included in the Program Fee. Customer must have and maintain a water filtration system that meets Company's water treatment standards. Company may install and maintain such a filtration system, at Customer's expense, if Customer fails to do so; provided, that Company shall only install such filtration system after Company has provided Customer with no fewer than ten (10) days' prior notice of the lack of such a system and shall perform such installation at a time mutually agreed upon by Customer and Company and in a manner that is reasonably designed to minimize disruption to Customer's business and operations. Customer will not change or alter the appearance of the Freestyle Dispensers (including placing decals on the Freestyle Dispensers).

**7. SERVICE:** Customer agrees to use the Company Service Network for any mechanical reactive service required for the Freestyle Dispensers and to first attempt to solve any equipment service related issues by using Company's Phone Fix® service. There will be no charge for mechanical reactive or reasonable preventative service, which is included in the Program Fee. Special Service Calls will be charged at Company's then-current service rate. Special Service calls include relocation or reinstallation of Freestyle fountain dispensing equipment, line changes, service necessitated by damage or adjustments to the Freestyle fountain equipment resulting from misuse, abuse, failure to follow operating instructions, use of soft (or other non-approved) ice, or service by unauthorized personnel and unnecessary calls (e.g., equipment was not plugged in, CO2 or cartridges were empty). If Customer elects to use soft ice (i) Customer will be responsible for addressing any soft ice dispensability issues such as bridging and clumping (ii) Company may change its recipes for some or all Freestyle brands to address the faster product dilution caused by soft ice and (iii) Customer acknowledges that these recipe changes may increase Customer's cost of goods.

**8. EQUIPMENT INSTALLATION AND REMOVAL:** The number of Freestyle Dispensers and the outlets where they will be installed will be mutually agreed to by the parties. All fountain syrup dispensers in each outlet where a Freestyle dispenser is installed must be Freestyle Dispensers. Company will be responsible for installing the Freestyle Dispensers. Customer will be responsible for modifying the site (e.g., cabinetry, countertop, walls, flooring, plumbing and electrical work) as required to accommodate (a) the installation of the Freestyle Dispenser and (b) if necessary, the removal of that Freestyle Dispenser and reinstallation of Legacy Dispensers. Customer will also be responsible for any additional equipment (e.g., ice makers and water filtration) that may be required. Only ice makers approved by Company may be used. Company may require Customer, at its expense, to apply approved shrouding to certain ice makers with a footprint larger than the Freestyle Dispenser to improve aesthetics.

**9. CONFIDENTIALITY:** The Freestyle Dispensers and any information related thereto are proprietary to Company. Accordingly, Customer agrees that it will not permit any third party to inspect, analyze or reverse engineer any Freestyle Dispenser, nor will it disclose any information relating to the Freestyle Dispensers or this Agreement to any third party. Without limiting the generality of the previous sentence, Customer agrees that it will only open the Freestyle Dispenser to change cartridges and will not permit (a) any photograph or other images to be taken of the inside of any Freestyle Dispenser or (b) any inspection or analysis of the interior portions of any Freestyle Dispenser by third parties.

**10. ACCESS TO COMPUTER SYSTEMS:** The Freestyle Dispensers connects and sends reports to computer systems at Company. Customer will not take any actions to disable or interfere with these connection and reporting features. Any use of Company's computer systems is subject to the terms attached as Schedule D. Company will be using wireless communications to establish this connection and the fee for this, where available through Company's provider, is included in the Program Fee. Customer is responsible for providing comparable connectivity if wireless communications are not available through Company's provider and Customer bears all risks associated with Company's use of any such connectivity.

**11. EXCLUSIVITY:** Customer agrees to serve Company "Fountain Beverages" (as hereinafter defined) exclusively in the outlets and any facilities where a Freestyle Dispenser is used. No other Fountain Beverages shall be served or sold in those locations. "Fountain Beverages" are those nonalcoholic beverages that are dispensed from post-mix or pre-mix (but not frozen) beverage dispensers, bubblers or similar equipment, but shall not include freshly brewed on premise tea or coffee.

**12. PRIOR FREESTYLE AGREEMENTS:** The terms of this Agreement will supersede any prior agreement between the parties concerning Freestyle, and all Freestyle Dispensers installed in the Customer's outlets in the past, present and future will be governed by the terms of this Agreement.

**13. ADDITIONAL TERMS:** This Agreement also includes the attached Exhibits and constitutes the entire agreement between the parties with respect to the subject matter hereof. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof.

**14. FUNDING:** Customer authorizes Company to pay certain incentive funding earned under this Agreement directly to Franchisor, (or any successor franchisor entity of Customer). This section will survive the termination or expiration of this Agreement.

Accepted and agreed to this      day of \_\_\_\_\_, 20\_\_\_\_

**THE COCA-COLA COMPANY, acting by and through COCA-COLA NORTH AMERICA**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted and agreed to this      day of \_\_\_\_\_, 20\_\_\_\_

**RACEWAY Franchisee:** \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Outlet ACN Number: \_\_\_\_\_

**Schedule A**  
**TERMS OF SALE**

The following are the terms between Company and Customer relating to the products or services (collectively "**Products**") provided in connection with Freestyle. These terms prevail over terms contained in Customer's purchase order or other communications from Customer that are not accepted in writing by Company as provided herein. No modification, waiver or discharge of these terms or of any of its terms will bind either party unless in writing and signed by officers of both parties.

**1. CONSENT TO ELECTRONIC TRANSACTION AND COMMUNICATIONS.** By virtue of placing orders for Products, Customer agrees to conduct business electronically, where applicable, and to be bound by these terms. Customer agrees that all agreements, notices, disclosures and other communications that Company provides electronically, whether in website content or e-mail, satisfy any and all legal requirements that such communications be in writing.

**2. PAYMENT, INTEREST AND FEES.** Unless otherwise agreed in writing, payment in full for Products is due at the time of ordering. Company will submit such payments for processing at the time Products are shipped. All payments must be made by their due date as a condition precedent to future orders or deliveries.

**3. PRICES.** Orders are filled at prices prevailing at time of order. Company is not responsible for pricing or typographical errors related to Customer's purchase and Company reserves the right to cancel any orders resulting from or including such errors.

**4. GENERAL WARRANTIES.** Company warrants the title conveyed under these terms will be good and its transfer rightful; and that the Products will be delivered free from any security interest or other lien or encumbrance whatsoever. Company warrants that the Products will be of merchantable quality and will conform to the descriptions made on the containers and labels of the Products.

**5. LIMITED WARRANTIES AND REMEDIES.**

a. Company warrants that at the time of shipment from Company food Products manufactured by Company will be free from material defects and will be suitable for their intended purpose.

b. Company warrants that food Products manufactured by Company will (i) meet the requirements of the Federal Food, Drug and Cosmetic Act ("Act"), as amended, including the Food Additive Amendments of 1958, the amendments resulting from the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, the amendments resulting from the Food Safety Modernization Act of 2011 ("FSMA"), and the U.S. Food and Drug Administration's regulations implementing the Act, as of the relevant compliance dates; (ii) not be adulterated or misbranded within the meaning of the Act and (iii) not be products which, under the provisions of Sections 404 and 505 of the Act, may not be introduced into interstate commerce. Company further warrants that the food Products will, at the time of shipment, comply with all other applicable federal and state laws, rules and regulations. This warranty is extended and applicable to any lawful state law in which the definitions of adulteration or misbranding are substantially the same as those in the Act.

c. The warranties provided in section 5.b above will not apply when any food Products are shipped or delivered under label or labeling designed by or on behalf of Customer, or the food Products are manufactured in accordance with written specifications provided by or on behalf of Customer. In such a case, in lieu of section 5.b Company warrants that the Products will conform to the label, labeling or specifications provided by or on behalf of Customer.

d. Company warrants only the food Products themselves, not any finished beverage made from any food Products, because the finished beverage incorporates water, CO2 gas and ice, none of which is provided by Company.

e. THE WARRANTIES SET FORTH HEREIN ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND COMPANY DISCLAIMS ALL OTHER WARRANTIES INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

f. Customer agrees that its sole and exclusive remedy for breach by Company of the warranties provided herein and any applicable implied warranties will be as follows: Company will, at its sole option, either replace the Products or refund the actual, net purchase price paid by Customer for the Products, and Company will indemnify and hold Customer harmless against (i) any claim, loss, or expense arising out of the death, disease or bodily injury of a consumer resulting from or caused directly by Manufacturer's breach of the above warranties, or (ii) any claim, loss, or expense arising out of any patent or trademark infringement suit in a court of competent jurisdiction based on Customer's use or sale of the Products as contemplated by Company; provided, however, that any such claim, loss or expense set forth under subsections (i) and (ii) was solely caused by the fault or negligence of Company, and further provided that the Products were handled under normal conditions of sale, and in accordance with applicable product handling requirements by Customer from the time of delivery until final sale to the consumer; and provided further that (1) Customer gives Company timely written notice of the assertion or pendency of any such claim, (2) Company has the right to defend any such claim, and (3) Company has the right of approval prior to settlement of any such claim.

g. This Product warranty and indemnity sets forth the sole and exclusive remedy for Customer against Company with respect to the Products, and is the complete agreement between the parties with respect to such subject matter. EXCEPT FOR ANY LOSSES, DAMAGES, OR LIABILITY ARISING FROM EITHER PARTY'S EXPRESS INDEMNIFICATION OBLIGATIONS HEREUNDER, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY, OR ANY OTHER PERSON OR ENTITY, WHETHER IN CONTRACT IN TORT OR ON ANY

OTHER LEGAL THEORY, FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING LOST REVENUES, PROFITS OR BUSINESS OPPORTUNITIES, OR FOR ANY OTHER COST OR LOSS OF A SIMILAR TYPE; EXCEPT, HOWEVER, NOTHING HEREIN WILL BE CONSTRUED AS A WAIVER OF ANY RIGHT OF COMPANY TO PROVE LOST PROFITS.

h. This Product warranty and indemnity is not assignable or transferable, by operation of law or otherwise, and revokes any prior continuing warranty provided with respect to the Products.

i. Customer will defend, indemnify and hold harmless Company and Company's officers, agents, employees, directors, shareholders, affiliates, successors, and assigns (hereinafter the "**Indemnified Parties**") against and from any and all claims, actions, suits, proceedings, demands, damages, and liabilities of whatever nature, and all costs and expenses, including without limitation Indemnified Parties' reasonable attorneys' fees and expenses, relating to or in any way arising out of any negligent or wrongful act of Customer or its employees or agents, including product tampering or failure to adhere to Company's Quality Beverage Standards; provided, that such claim does not arise out of any wrongful act or omission of the Indemnified Parties or from a cause or causes beyond Customer's reasonable control; and provided further, that (1) Company will give Customer timely written notice of the assertion or pendency of such claim, (2) Customer will have the right to defend any such claim, and (3) Customer will have the right of approval prior to settlement or compromise of any such claim.

**6. LIMITATION OF LIABILITY.** COMPANY DOES NOT ACCEPT LIABILITY BEYOND THE REMEDIES SET FORTH HEREIN, INCLUDING BUT NOT LIMITED TO ANY LIABILITY FOR PRODUCTS NOT BEING AVAILABLE FOR USE, LOST PROFITS OR LOSS OF BUSINESS; COMPANY DOES NOT ACCEPT LIABILITY FOR ACTIONS OR INACDTIONS OF ANY CONTRACTORS THAT MAY BE REFERRED TO CUSTOMER OR WHOE WORK MAY BE SCHEDULED BY COMPANY. EXCEPT FOR ANY LOSSES, DAMAGES, OR LIABILITY ARISING FROM EITHER PARTY'S EXPRESS INDEMNIFICATION OBLIGATIONS HEREUNDER, NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM BY ANY THIRD PARTY. EXCEPT FOR ANY LOSSES, DAMAGES, OR OTHER LIABILITY ARISING FROM COMPANY'S EXPRESS INDEMNIFICATION OBLIGATIONS HEREUNDER, CUSTOMER AGREES THAT FOR ANY LIABILITY RELATED TO THE PURCHASE OF PRODUCTS, COMPANY IS NOT LIABLE OR RESPONSIBLE FOR ANY AMOUNT OF DAMAGES ABOVE THE AMOUNT INVOICED FOR THE APPLICABLE PRODUCTS. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, THE REMEDIES SET FORTH IN THESE TERMS SHALL APPLY EVEN IF SUCH REMEDIES FAIL THEIR ESSENTIAL PURPOSE.

**7. TRANSFER OF TITLE.** Title to the Products will pass when delivered to Customer at the "ship to" address stated on the front of each invoice ("**Customer's Address**"). Delivery will be acknowledged by a signed and dated bill of lading.

**8. DELIVERY.** Unless otherwise agreed in writing, delivery of Products will be handled as set forth at <http://cokesmart.com>. Company reserves the right to require specific order quantities (e.g., full case orders) and make delivery in severable lots, and all such lots will be separately invoiced and paid for when due, without regard to subsequent deliveries. Delay in delivery of any lot will not relieve Customer of its obligation to accept remaining deliveries. The acceptance by Customer of shipment upon arrival of the Products at Customer's Address will constitute delivery to Customer.

**9. INSPECTION.** Customer must inspect the Products immediately on its delivery to Customer's location, and within 2 business days after delivery, give notice to Company if Customer believes that the Products is not in accordance with these terms. If Customer fails to give such notice, the Products will be deemed to be in all respects in accordance with these terms, and Customer will be bound to accept and pay for the Products in accordance with these terms. Customer may reject the Products only if any variance from these terms is material. All claims are deemed waived unless made in writing and received by Company within 15 days after Customer discovers the alleged defect, but in no event will credit be given for any alleged defect later than 90 days after delivery.

**10. FORCE MAJEURE.** Company will be excused from its performance obligations if such failure of performance is due to fire, flood, strikes, riots, car shortage, embargoes, accidents, insurrections, lockouts, breakdown of machinery, loss or damage of Products in transit, acts of God, or any circumstances or unavoidable cause beyond Company's control, except for its own negligence.

**11. TAXES.** In addition to the purchase price, Customer will pay Company the amount of all governmental taxes, excises and/or other charges (except taxes on or measured by net income) that Company may be required to pay with respect to the production, sale or transportation of the Products, except where the law otherwise provides. Customer may be eligible for a tax exemption. **Tax exemption certificates are available at [http://www.cokesmart.com/forms\\_unlogged.htm](http://www.cokesmart.com/forms_unlogged.htm).** A tax exemption certificate must be submitted to Company for all purchases delivered by Company (e.g., not by a distributor).

**12. ADDITIONAL TERMS.** In consideration of purchasing Products, Customer agrees:

Customer Initials: \_\_\_\_\_

- a. Not to transfer or resell Products to any other entity, or for residential or home use;
- b. To use food Products only to prepare a finished beverage that is dispensed to consumers in cups, glasses or other containers designed for reasonably immediate consumption and not for extended storage;
- c. Not to sell finished beverages using food Products through a dispenser whereby the consumer fills returnable bottles or similar containers;
- d. Not to tamper with any seals or labeling on any Company food Products package;
- e. Not to repackage or transfer food Products into other containers without Company authorization;
- f. Not to refill or reuse any food Products container;
- g. To comply with Company's Quality Beverage Standards, which is available on request from Company;
- h. To notify Company promptly of any quality problem related to Products at 1-800-241-2653;
- i. To rotate stock of food Products to ensure Company food Products are used before its shelf life date.

**Schedule B**  
**PRICING EXAMPLES**

**1. NOTE**

Compliance with the price assurance provisions of Section 3(b) will be determined for each model of Freestyle Dispenser separately (but combining models that in the reasonable opinion of Company are similar, such as the self-serve and crew serve versions of the same Freestyle Dispenser, e.g., 8000, 9000, and 9100) and will be based on average consumption data of all ingredients across all of Company's customers in the 48 contiguous United States and the District of Columbia for the most recent prior October through September period. Accordingly, it is theoretically possible that, based on its particular consumption patterns, an individual customer's price increase could slightly exceed the higher of 4% or CPI for Food Away from Home.

**2. PRICING EXAMPLES**

**Example 1**

For example, to determine this percentage for 2016, Company would determine the monthly average of the CPI for October 2014 through September 2015 (by adding the CPI for each of the 12 months and dividing by 12). For this example, assume this average is 235.07. Company would do the same for the period from October 2013 through September 2014. Assume for this example this average is 232.49. Company would then take the difference between these two averages and divide by 232.49 to calculate this percentage for 2016. In this example, the percentage would be positive 1.1% and therefore Company would not increase 2016 pricing for the ingredients other than HFCS Sweetener by more than 4% over the most recent pricing in 2015 (since 4% is greater than 1.1%).

**Example 2**

For example, to determine HFCS Sweetener pricing for 2016, Company would determine the monthly average of the PPI for October 2014 through September 2015 (by adding the PPI for each of the 12 months and dividing by 12). For this example, assume this average is 202.73. Company would do the same for the period from October 2013 through September 2014. Assume for this example this average is 197.78. Company would then take the difference between these two averages and divide by 197.78 to calculate the percentage price increase or decrease applicable in 2016. In this example, the percentage would be positive 2.5% and therefore Company would not increase 2016 pricing for HFCS Sweetener by more than 2.5% over the most recent HFCS Sweetener pricing in 2015.

**Schedule C**  
**FREESTYLE DISPENSER EQUIPMENT LEASE TERMS**

**1. LEASE AGREEMENT AND TERM.** Company hereby leases to Customer all Freestyle fountain beverage dispensing equipment provided to Customer (the "Equipment"), subject to the terms set forth herein. Unless otherwise agreed in writing, the Equipment shall also include, where applicable, all permanent merchandising, menu boards, refrigeration units, ice makers, water filtration equipment, Boost, and any other ancillary equipment installed by Company on Customer's premises Company (each a piece of Equipment), provided, however, that nothing in this Agreement requires Company to make such equipment available to Customer for lease. Each piece of Equipment is leased commencing on its installation date ("Commencement Date") Customer may request the removal of any Equipment upon 30 days prior written notice to Company. In addition, Company may remove any piece of Equipment for any reason upon thirty (30) days prior written notice to Customer. Removal of Equipment will not affect the term of any agreement between the parties. If the lease is terminated with respect to any piece of Equipment for any reason, other than (i) Company removing a piece of Equipment without cause under this section or (ii) any termination by Customer based on an uncured breach of this Agreement by Company prior to 100 months from its Commencement Date, Customer will pay Company the actual costs of removal (including standard shipping and handling charges) and remanufacturing of the Equipment, as well as the unamortized portion of the costs of (i) installation and (ii) non-serialized parts (e.g., pumps, racks and regulators) and other ancillary equipment (collectively, removal and remanufacturing costs and items (i) and (ii) are referred to as "**unbundling costs**".)

THE TERMS OF THIS LEASE WILL CONTINUE IN EFFECT WITH RESPECT TO EACH PIECE OF EQUIPMENT UNTIL THE EQUIPMENT HAS BEEN RETURNED TO COMPANY AND WILL SURVIVE THE EXPIRATION OR TERMINATION OF ANY AGREEMENT INTO WHICH THIS LEASE IS INCORPORATED.

**2. TITLE TO THE EQUIPMENT.** Title to the Equipment is, and will at all times remain, vested in Company. Customer will have no right, title, or interest in or to the Equipment, except the right to quiet use of the Equipment in the ordinary course of its business as provided herein. Customer shall execute such title documents, financing statements, fixture filings, certificates and such other instruments and documents as Company shall reasonably request to ensure to Company's satisfaction the protection of Company's title to the Equipment and Company's interests and benefits hereunder. Customer shall not transfer, pledge, lease, sell, hypothecate, mortgage, assign or in any other way encumber or dispose of any of the Equipment. **THE PARTIES AGREE, AND CUSTOMER WARRANTS, THAT THE EQUIPMENT IS, AND WILL AT ALL TIMES REMAIN, PERSONAL PROPERTY OF COMPANY NOTWITHSTANDING THAT THE EQUIPMENT OR ANY PART THEREOF MAY NOW BE, OR HEREAFTER BECOME, IN ANY MANNER AFFIXED OR ATTACHED TO, OR EMBEDDED IN, OR PERMANENTLY RESTING UPON, REAL PROPERTY OR IMPROVEMENTS ON REAL PROPERTY.** Customer shall not make any alterations, additions, or improvements to the Equipment without the prior written consent of Company. All parts added to the Equipment through alterations, repairs, additions or improvements will constitute accessions to, and will be considered an item of the Equipment and title to such will immediately vest in Company. Customer agrees that Company may transfer or assign all or any part of Company's right, title and interest in or to any Equipment (in whole or in part), the lease of the Equipment and any amounts due or to become due, to any third party ("Assignee") for any reason. Upon receipt of written notice from Company of such assignment, Customer shall perform all its obligations with respect to any such Equipment for the benefit of the applicable Assignee, and, if so directed, shall pay all amounts due or to become due hereunder directly to the applicable Assignee or to any other party designated by such Assignee.

**3. USE OF EQUIPMENT.** Customer acknowledges that any rent does not fully compensate Company for its expenses concerning its research and development efforts designed to improve the Equipment or provide the Equipment to Customer, and that Company provides the Equipment to Customer for the purpose of dispensing Company products. Therefore, Customer agrees that the Equipment will be used only for the purpose of dispensing fountain beverage products of Company that are not out of date.

**4. INSPECTION AND NOTIFICATION.** Company shall have the right during Customer's regular business hours and upon no fewer than forty eight (48) hours' prior notice to Customer to inspect the Equipment at Customer's premises or wherever the Equipment may be located and to review all records that relate to the Equipment; provided, that any such inspection shall be performed in a manner reasonably designed to minimize disruption to Customer's business and operations. Customer shall promptly notify Company of all details arising out of any change in location of the Equipment, any alleged encumbrances thereon or any accident allegedly resulting from the use or operation thereof.

**5. WARRANTY DISCLAIMER: CUSTOMER ACKNOWLEDGES THAT COMPANY MAKES NO WARRANTIES PERTAINING TO THE EQUIPMENT OR ITS PERFORMANCE, WHETHER EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER WARRANTIES RELATING TO THE DESIGN, CONDITION, QUALITY, CAPACITY, MATERIAL, OR WORKMANSHIP OF THE EQUIPMENT OR ITS PERFORMANCE. COMPANY SHALL NOT BE RESPONSIBLE FOR ANY LOSS OF PROFITS, ANY DIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES, OR DAMAGES OF ANY NATURE WHATSOEVER, RESULTING FROM THE DELIVERY, INSTALLATION, MAINTENANCE, OPERATIONS, SERVICE OR USE OF ANY EQUIPMENT OR OTHERWISE.**

**6. TAXES.** Customer shall pay all assessments, license fees, taxes (including sales, use, excise, personal property, ad valorem, stamp, documentary and other taxes) and all other governmental charges, fees, fines or penalties whatsoever, whether payable by Company or Customer, on or relating to the

Equipment or the use, registration, rental, shipment, transportation, delivery, or operation thereof, and relating to the lease of the Equipment.

**7. MAINTENANCE AND REPAIRS.** Customer shall keep the Equipment in good condition, repair, and working order. Except as otherwise provided in the Agreement, Customer shall pay all costs incurred in connection with the shipment, use, operation, ownership, or possession of the Equipment during the term of its lease. Customer's sole recourse against Company with respect to service provided by Company or its service providers to the Equipment is that Company will correct any defective workmanship at no additional charge to Customer, provided that Company is given prompt notification of any defective workmanship. Company shall not be otherwise liable for negligent acts or omissions committed in regard to maintenance or repair of the Equipment and assumes no responsibility for incidental, consequential or special damages occasioned by such negligent acts or omissions.

**8. RISK OF LOSS.** All risk of loss, including damage, theft or destruction, to each item of Equipment will be borne by Customer. No such loss, damage, theft or destruction of Equipment, in whole or in part, will impair the obligations of Customer hereunder, all of which will continue in full force and effect.

**9. INDEMNITY.** Customer will defend, indemnify and hold harmless the Indemnified Parties against and from any and all claims, actions, suits, proceedings, demands, damages, and liabilities of whatever nature, and all costs and expenses, including without limitation Indemnified Parties' reasonable attorneys' fees and expenses, relating to or in any way arising out of (a) the ordering, rejection, purchase, leasing, maintenance, possession, use, operation, control or disposition of the Equipment or any portion thereof; (b) any loss or damage to or sustained by the Indemnified Parties arising out of Customer's failure to comply with all these terms; or (c) any claims for liability in tort with respect to the Equipment, excepting only to the degree such claims are the result of the Indemnified Parties' negligent or wilful acts. The provisions of this section will survive termination and expiration of the Equipment's lease.

**10. DEFAULT.** The occurrence of any of the following will constitute a "Default" by Customer:

- a. nonpayment by Customer when due of any amount due and payable hereunder;
- b. failure of Customer to comply with any provision, and failure of Customer to remedy, cure, or remove such failure within 10 days after receipt of written notice thereof from Company;
- c. any statement, representation, or warranty of Customer to Company, at any time, that is untrue as of the date made;
- d. Customer's becoming insolvent or unable to pay its debts as they mature, or Customer making an assignment for the benefit of creditors, or any proceeding, whether voluntary or involuntary, being instituted by or against Customer alleging that Customer is insolvent or unable to pay its debts as they mature;
- e. appointment of a receiver, liquidator, trustee, custodian or other similar official for any of the Equipment or for any property in which Customer has an interest;
- f. seizure of any of the Equipment;
- g. default by Customer under the terms of any note, document, agreement or instrument evidencing an obligation of Customer to Company or to any affiliate of Company, whether now existing or hereafter arising;
- h. Customer taking any action with respect to the liquidation, dissolution, winding up or otherwise discontinuing the conduct of its business;
- i. Customer transferring all or substantially all of its assets to a third party; or
- j. the transfer, conveyance, assignment or pledge of a controlling interest or ownership of Customer to a third party without Company's prior written consent.

**11. REMEDIES.** Upon the occurrence of any Default or at any time thereafter, Company may terminate the lease as to any or all items of Equipment, may enter Customer's premises and retake possession of the Equipment at Customer's expense, and will have all other remedies at law or in equity for breach. Customer acknowledges that in the event of a breach of Sections 3 or 4 or a failure or refusal of Customer to relinquish possession of the Equipment in breach of this section following termination or Default, Company's damages would be difficult or impossible to ascertain, and Customer therefore agrees that Company will have the right to an injunction in any court of competent jurisdiction restraining said breach and granting Company the right to immediate possession of the Equipment and agrees to pay the Program Fee until Company is able to obtain possession of the Equipment.

**12. LIQUIDATED DAMAGES.** If Customer acts in violation of the prohibitions described in Section 2 of these terms and is unable to return the Equipment to Company in good working order, normal usage wear and tear excepted, at the expiration or termination of the Equipment's lease, Customer shall pay as liquidated damages the total of: (i) the value of Company's residual interest in the Equipment, plus (ii) all tax indemnities associated with the Equipment to which Company would have been entitled if Customer had fully performed its obligations, plus (iii) costs, interest, and attorneys' fees incurred by Company due to Customer's violation of Section 2 or its failure to return the Equipment to Company, minus (iv) any proceeds or offset from the release or sale of the Equipment by Company.

**13. ADDITIONAL TERMS.** Customer represents and warrants that it will comply with all applicable laws and regulations (including providing effective communication of the Equipment's beverage options to, and full and equal enjoyment of the Equipment by, individuals with disabilities) and all appropriate practices with respect to food safety including the storing, preparation, serving and disposing of food. Furthermore, Customer acknowledges and agrees to comply with all equipment manufacturer's specifications and product dispensing and preparation instructions and specifications. Time is of the essence with respect to every provision.

**Schedule D**  
**ACCESS AND USE TERMS**

**1. GENERAL.** Customer agrees that access and use of Company's proprietary network of websites ("Computer Systems") by Customer, including any individuals that are granted access through or by Customer, are subject to these terms and all applicable laws.

**2. COMPUTER SYSTEMS SECURITY**

a. Customer represents that it has read and agrees to ensure that its employees, and anyone else granted access to the Computer Systems, will comply with these terms. Customer will ensure that each workstation that is used to access the Computer Systems has a configuration that meets the following conditions: (i) current commercial anti-virus software is installed and a full system scan is performed; (ii) current operating system patch levels are applied; and, (iii) malicious software and hacker tools are removed or disabled.

b. Customer will not allow any third parties to access the Computer Systems without the written consent of Company.

c. Customer's access is provided solely for the legitimate business purposes of Company and Customer. Access to Company's Computer Systems is monitored and recorded. Company will maintain a database that catalogs the duration and scope of the access granted to Customer and the business purpose for such grant. Customer may only access those Computer Systems that Customer is approved by Company to access. Company may terminate Customer's access to the Computer Systems for any misuse of such Computer Systems by Customer or by individuals provided access by or through Customer. Customer is liable for all damages caused by any individual obtaining access to the Computer Systems through the Customer.

**3. INFORMATION CONTAINED IN THE COMPUTER SYSTEMS**

a. Customer will keep confidential all passwords, user IDs, all data and software programs and any other accessible materials contained in the Computer Systems. These obligations will continue in perpetuity but will not apply to information that is, or subsequently becomes, available to the public through no breach of Customer's obligations hereunder.

b. Customer will read and comply with the terms and policies that are posted on the Computer Systems from time to time and as they may be amended from time to time. If Customer does not agree to the applicable terms and policies posted on the Computer Systems, Customer will immediately exit the Computer Systems and will not use the Computer Systems. Customer will not transmit any unlawful, threatening, libelous, defamatory, obscene, scandalous, inflammatory, pornographic, or profane material or any material that could constitute or encourage conduct that would be considered a criminal offense, give rise to civil liability, or otherwise violate any law.

**4. PASSWORDS AND SECURITY.** Customer agrees that it is solely and completely responsible for maintaining the confidentiality of Customer logins and passwords. Customer agrees to notify Company immediately of any unauthorized use of its account or other breach of security. Customer agrees that it will be responsible for all activity on its account, whether such activity was initiated by it, by others on its behalf, or by any other means or manner.

**5. DISCLAIMERS.** Customer uses the Computer Systems at its own risk. In no event will Company, and its subsidiaries, affiliates, officers and directors, be liable for any loss, liability, damages, costs or expenses that may arise out of Customer's access to the Computer Systems. ACCESS TO THE COMPUTER SYSTEMS (AND ANY AND ALL HARDWARE, SOFTWARE AND OTHER COMPONENTS THEREOF) IS PROVIDED TO CUSTOMER "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT.

**6. DUTY TO REPORT USE AND VIOLATIONS.** Customer will immediately notify Company of any material violation of these terms by anyone granted access through Customer. Upon Company's request, Customer will promptly provide Company with a list of all individuals granted access to the Computer Systems through Customer. Company will have the right to conduct an audit of Customer to confirm Customer's compliance with these terms.

**7. TERMINATION; MODIFICATION.** Company has the right to immediately terminate access granted to any individual through Customer at any time with or without cause. Company may modify these terms at any time upon notice to Customer. If Customer does not wish to continue its access to the Computer Systems under such modified terms, Customer may terminate access by written notice delivered to Company prior to the effective date of the modification.

**Schedule E**  
**STANDARD TERMS AND CONDITIONS**

**1. TERMINATION.** Either party may terminate the Agreement if the other party fails to comply with a material term or condition of the Agreement and does not remedy the failure within thirty (30) days after receiving written notice specifying the non-compliance. Upon expiration or termination, Customer must return any dispensing equipment owned by Company.

**2. GOVERNING LAW/ DISPUTE RESOLUTION.** This Agreement shall at all times be governed by the laws of the State of Georgia. Should there be a dispute between Company and Customer relating in any way to the Agreement, the breach of the Agreement, or the business relationship of the parties, the parties agree that they will make a good faith effort to settle the dispute in an amicable manner. In the event of any dispute arising out of or relating to this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses of litigation. If litigation is pursued, the exclusive venue for such litigation shall be in the federal or state courts located in Atlanta, GA, and the parties agree to submit to the personal jurisdiction of the courts in the State of Georgia.

**3. TRANSFERS AND ASSIGNMENTS.**

a. If there is a transfer of an outlet where a Freestyle Dispenser has been installed, then, at Customer's election and Company's consent (which shall not be unreasonably withheld), Customer will (i) cause the acquiring, surviving or newly created business to assume all of Customer's obligations under the Agreement, (ii) terminate this Agreement with respect to such Freestyle Dispenser or (iii) pursuant to the Franchisor Freestyle Agreement, arrange with Franchisor and Company to move and install such Freestyle Dispenser to a different outlet and the obligations hereunder will be assumed by the successor franchisee for the applicable outlet. The Agreement will not be otherwise assignable without the express written consent of Company.

b. If Customer selects the option specified in Section 3(a)(ii) of this Exhibit E (or is otherwise unable to arrange for, or complete, either of the options specified in Section 3(a)(i) or Section 3(a)(iii) with respect to an outlet where a Freestyle Dispenser has been installed, or closes such outlet, Customer will pay Company the costs set forth in Section 1 of Schedule C for each Freestyle Dispenser installed in such outlet less than 100 months prior to the transfer or closure.

**4. TRADEMARKS.** Neither Customer nor Company will make use of any of the other party's trademarks or logos (either alone or in conjunction with its or another party's trademarks or logos) without the prior written consent of that party, and all use of the other party's trademarks shall inure to the benefit of trademark owner. For purposes of this Agreement, Company trademarks include trademarks owned, licensed to or controlled by an entity in which Company has a 50% or more ownership interest. Furthermore, and solely for purposes of clarity, Company acknowledges and agrees that this Agreement constitutes Company's prior written consent for Customer to use Company's trademark and logos on the Freestyle Dispenser, to the extent such trademarks and logos are incorporated in the Freestyle Dispensers and any consumer interface included thereon.

**5. WAIVER.** The failure of either party to seek redress for the breach of, or to insist upon the strict performance of any term, clause or provision of the Agreement, shall not constitute a waiver, unless the waiver is in writing and signed by the party waiving performance.

**6. WARRANTIES.** Customer and Company each represent and warrant that they have the unrestricted right to enter into this Agreement and to make the commitments contained in this Agreement. In addition, each party represents that the person whose signature appears on the Agreement has the right to execute this Agreement on behalf of the party indicated.

**7. OFFSET.** If Customer owes any amounts to Company under this or any other agreement, in addition to any other remedies it may have, Company may use funds due Customer to offset amounts due to Company under this or any other agreement.

**8. ADDITIONAL TERMS.** Company will not be bound by any standard or preprinted terms or conditions contained in Customer's purchase orders, acknowledgements, invoices, vendor allowance forms or other Customer forms, or counteroffers, that propose terms or conditions in addition to or differing from the terms and conditions set forth in this Agreement with respect to its subject matter. In addition, any terms and conditions on Customer's internet site to which agreement by Company is deemed or required in any manner, whether through an online electronic agreement, site use, or otherwise, will be null and void and of no legal effect on Company.

**EXHIBIT L**

**FRANCHISEE SUPPLY AGREEMENT (CORE-MARK)**

(see attached)

## FRANCHISEE SUPPLY AGREEMENT

This Franchisee Supply Agreement (this “**Franchisee Supply Agreement**”) by and between \_\_\_\_\_, a [STATE OF ORGANIZATION] [ENTITY TYPE] (“**Service Recipient**”), and Core-Mark International, Inc., a Delaware corporation (“**Core-Mark**”) (each a “**Party**” and collectively, the “**Parties**”) is made as of \_\_\_\_\_ (the “**Effective Date**”).

**1. Scope of Franchisee Supply Agreement.** This Franchisee Supply Agreement governs the process by which Service Recipient will purchase certain products, goods, or merchandise (the “**Goods**”) from Core-Mark, and Core-Mark will supply and deliver such Goods, as further provided in this Franchisee Supply Agreement.

(a) **Ordering & Delivery Provisions.** All Goods purchased and supplied under this Franchisee Supply Agreement will be subject to the Ordering & Delivery Provisions in Exhibit A (Ordering and Delivery Provisions) attached to this Franchisee Supply Agreement and incorporated herein by reference.

(b) **Pricing & Payment Terms.** The pricing and payment terms for all Goods purchased and supplied under this Franchisee Supply Agreement will be subject to the Pricing & Payment Terms in Exhibit B (Pricing and Payment Terms) and its appendices attached to this Franchisee Supply Agreement and incorporated herein by reference.

(c) **Product Returns.** Any returns for Goods supplied under this Franchisee Supply Agreement will be subject to the Core-Mark Return Policy provided in Exhibit C (Core-Mark Return Policy and Recalls) attached to this Franchisee Supply Agreement and incorporated herein by reference.

(d) **Non-exclusivity.** The Parties acknowledge this is a non-exclusive agreement and that nothing in this Franchisee Supply Agreement will prohibit (i) Core-Mark from supplying Goods to any other customer or person; or (ii) Service Recipient from purchasing Goods from any other supplier or person. The Parties further acknowledge that nothing in this Agreement will obligate Service Recipient to satisfy any minimum purchase obligations.

(e) **Sites.** Core-Mark will supply the Goods to any site owned, operated, or managed by Service Recipient located in the United States which is subject to a franchise agreement with RW Venture Holdings, Inc. (each such franchised location, a “**Site**”). If Service Recipient opens, acquires, or otherwise commences operating or managing a new Site during the Term of this Franchisee Supply Agreement, and if Service Recipient elects to have Core-Mark supply Goods to such Site, Service Recipient will notify Core-Mark in writing of the location of the Site, and that the Site will become subject to this Franchisee Supply Agreement; provided, however, that Core-Mark shall not be obligated to supply Goods to such new Site unless it is of a similar mix, volume and geography as the existing Sites under this Franchisee Supply Agreement.

(f) **Service Recipient Premises.** In the event Core-Mark or its directors, officers, employees, contractors, subcontractors, suppliers or representatives of Core-Mark (collectively, “**Core-Mark Agents**”)

provide in-store services in any Site, store, facility or other locations owned or controlled by Service Recipient, Core-Mark agrees that the in-store services shall be performed and completed in a good and professional manner and in compliance with all applicable laws, rules and regulations. Core-Mark shall also have complete responsibility to communicate all reasonably necessary and legally required instructions, warnings or safety information regarding the Goods.

(g) **Terms of this Franchisee Supply Agreement.** Except for Core-Mark's obligations pursuant to the existing agreement between RW Venture Holdings, Inc. ("RVH") and Core-Mark (the "**Master Agreement**"), This Franchisee Supply Agreement is expressly limited to the terms of this Franchisee Supply Agreement. The terms of this Franchisee Supply Agreement, including the terms of any Exhibit or Appendix hereto, shall prevail over any terms or conditions contained in any other documentation and shall expressly exclude any of Service Recipient's general terms and conditions contained in any purchase order or other document issued by Service Recipient. In the event of any conflict between the terms of this Franchisee Supply Agreement and the terms of any purchase order or any other document issued by Service Recipient, the terms of this Franchisee Supply Agreement will prevail.

## 2. Covenants; Remedies.

### (a) Core-Mark Covenants.

(i) Core-Mark covenants, represents and warrants that the Goods will (i) be merchantable, new, suitable for the uses intended, of the grade and quality specified, free from all defects in design, material and workmanship, (ii) conform to all samples, drawings, descriptions and specifications furnished, (iii) comply with all composition, content and labeling requirements under applicable laws, including those of the jurisdiction where the Goods will be resold, (iv) meet the specifications for such Good contained within the order guide and other written specifications for such Good provided by Core-Mark; (v) be free and clear of any adverse lien or security interest; (vi) be manufactured, imported, stored, processed, treated, preserved, graded, transported, packaged, labelled and otherwise handled by Core-Mark in strict compliance with all applicable federal, state and local laws, rules, regulations, policies and guidelines including without limitation the Federal Food, Drug, and Cosmetic Act ("FDA Act") and FDA Act standards of identity and the United States Department of Agriculture ("USDA") grading standards, as of the date of shipment or delivery; (vii) be free from microbial contaminants, foreign material or injurious matter; (viii) is fit for the ordinary purposes for which such articles of food or other items are normally used; (ix) in conformance with the Ordering and Delivery Provisions set forth in Exhibit A (Ordering and Delivery Provisions) of this Franchisee Supply Agreement, including handling the Goods with commercially reasonable care to prevent spoliation, contamination, or other damage; (x) without violating or misappropriating the intellectual property rights of any person or entity; (xi) in compliance with all applicable laws, rules, and regulations; and (xii) provided in a professional and workmanlike manner.

(ii) Core-Mark shall ensure that any advertising or other material provided to Service Recipient shall comply with all laws applicable to the display or distribution of such material by Service Recipient.

(iii) Core-Mark shall, and shall cause its respective directors, officers, employees, contractors, subcontractors, suppliers or representatives, to comply with all applicable governmental laws, ordinances, codes, rules, regulations, programs, plans and orders in the

performance of this Franchisee Supply Agreement, including, without limitation, all applicable municipal, provincial and federal occupational health and safety and employment standards legislation.

(iv) Core-Mark shall and shall cause Core-Mark Agents to maintain all permits, licenses, and plans/records required in connection with the import, manufacture, storage, processing, treatment, preservation, grading, packaging, labelling, sale, shipment and installation of the Goods ordered hereby.

(b) **Covenant Limitations.** The covenants under Section 2(a) hereof do not apply where the Goods have been subjected after transfer of custody to Service Recipient to abuse, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions or use contrary to any instructions issued by Core-Mark or the respective Manufacturer (as defined in Exhibit B (Pricing and Payment Terms)).

(c) **Pass-Through Warranty.** With respect to all Goods, Core-Mark shall pass through or otherwise provide to Service Recipient all benefits offered by the manufacturers of such Goods intended for retail (including all warranties, refunds, credits, rebates, discounts, training, technical support and other consideration offered by such manufacturers and vendors). If Core-Mark is unable to pass through any such benefit to Service Recipient, it shall notify Service Recipient in advance and shall not purchase such Good for Service Recipient without Service Recipient's prior approval.

(d) **Cumulative Remedies.** All rights and remedies provided in this Franchisee Supply Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.

(e) **Disclaimer.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS FRANCHISE SUPPLY AGREEMENT, CORE-MARK MAKES NO IMPLIED WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY; (b) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; OR (c) WARRANTY OF TITLE; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. CUSTOMER ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY CORE-MARK, OR ANY OTHER PERSON ON CORE-MARK'S BEHALF.

**3. Risk of Loss.** The risk of loss for all Goods supplied to Service Recipient under this Franchisee Supply Agreement will remain with Core-Mark until such Goods are delivered to and accepted at the designated Service Recipient delivery location designated in the order, and such risk will transfer to Service Recipient only upon delivery in accordance with this Franchisee Supply Agreement. Core-Mark will be responsible for insuring all Goods until delivery is completed. Title to and risk of loss for Goods not in conformity with an order and invoice shall remain with Core-Mark.

#### **4. Term and Termination.**

(a) **Term.** The term of this Franchisee Supply Agreement will commence on the Effective Date and continue thereafter for a period equal to sixty (60) months after the Effective Date (the "Initial Term"), unless earlier terminated pursuant to Section 5.2. The Parties may renew the terms of this

Franchisee Supply Agreement for up to one additional successive 12-month period (each a “Renewal Term” and together with the Initial Term, the “Term”) by mutual written agreement at least ninety (90) days prior to the expiration of the Initial Term or the then-current Renewal Term, as applicable

(b) **Termination Rights.**

(i) **Termination for Cause.** Either Party may terminate this Franchisee Supply Agreement if the other Party is in default of, or fails to comply with, any material term or provision of this Franchisee Supply Agreement (a “**Defaulting Party**”) and continues such default or failure for thirty (30) days after the Defaulting Party has received written notice of such default or failure from the other Party (the “**Non-Defaulting Party**”).

(ii) **Immediate Termination.** Either Party may immediately terminate this Franchisee Supply Agreement or suspend its performance under this Franchisee Supply Agreement at such Party’s sole discretion without notice upon (i) the institution by or against the other Party to this Franchisee Supply Agreement of insolvency, bankruptcy or similar proceedings which are not dismissed within sixty (60) days of filing; (ii) any assignment or attempted assignment of the other Party’s assets for the benefit of creditors; (iii) any appointment, or application for such appointment, of a receiver for the other Party; (iv) the other Party becoming insolvent or unable to pay its debts as they come due; (v) an involuntary lien being filed or levied against, or foreclosure or seizure of materially all or a significant portion of, the other Party’s assets, including, without limitation, inventory, by a creditor, lienholder, lessor, governmental authority or other person, which has not been removed within ten (10) days; (vi) the other Party’s material and intentional falsification of any records or reports required hereunder; or (vii) a material adverse change in the other Party’s financial condition or results of operations.

(iii) In the event that the Master Agreement expires or is terminated for any reason, this Franchisee Supply Agreement will automatically terminate. Furthermore, Service Recipient will have the right to terminate this Franchisee Supply Agreement at any time upon written notice to Core-Mark upon written instruction to Service Recipient from RVH. Core-Mark will have no claim for wrongful termination or breach of contract against Service Recipient based on termination of this Agreement by Service Recipient pursuant to and in accordance with this Section 4(b)(iii).

(c) **Effect of Termination.** Upon termination of this Franchisee Supply Agreement Core-Mark, as directed by Service Recipient, shall cease performance under all terminated.

**5. Confidentiality; Non-Disclosure; No Publicity.**

(a) **Confidential Information.** For purposes of this Franchisee Supply Agreement, Confidential Information means all information disclosed by a Party (each a “**Disclosing Party**”) to the other Party (each a “**Receiving Party**”), whether orally, in writing, or otherwise, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of the disclosure or information. Confidential Information excludes information that (i) is or becomes generally known to the public without any breach of this Franchisee Supply Agreement by the Receiving Party; (ii) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation by a third party to the Disclosing Party; (iii) is received from a third party without any obligation of confidentiality to the Disclosing Party; or (iv) was

independently developed by the Receiving Party without use of or reference to the Disclosing Party's Confidential Information.

(b) **Non-Disclosure; Non-Use.** The Receiving Party will (i) at all times protect the confidentiality of the Disclosing Party's Confidential Information with the same degree of care that it uses to protect its own confidential information, and in any event, will not use less than reasonable care; and (ii) not use Confidential Information of the Disclosing Party except to the extent necessary to exercise its rights or satisfy its obligations under this Franchisee Supply Agreement. To the extent necessary to complete the transactions contemplated by this Franchisee Supply Agreement, the Receiving Party may disclose the Confidential Information of the Disclosing Party to the Receiving Party's employees, contractors, or Manufacturers who are directed to maintain the confidentiality of the Confidential Information and not to use the Confidential Information except as provided herein. In the event of a court order or government regulation compelling disclosure of any Confidential Information, the Receiving Party will, to the extent legally permitted, provide the Disclosing Party with prompt written notice thereof and reasonably cooperate with the Disclosing Party to prohibit or limit the disclosure to the extent permitted by law.

(c) **Return of Confidential Information.** Each Party's obligations set forth in this Section will remain in effect during the Term and three (3) years after termination of this Franchisee Supply Agreement. The Receiving Party will promptly return to the Disclosing Party or destroy (with certification of such destruction upon request) all Confidential Information of the Disclosing Party in its possession or control upon written request from the Disclosing Party. Notwithstanding the foregoing, the Receiving Party may retain copies of the Confidential Information to the extent that such retention is required to demonstrate compliance with applicable law, rule, regulation, or a bona fide document retention policy, provided, however, that any such information so retained shall be held in compliance with the terms of this Franchisee Supply Agreement.

(d) **No Publicity.** Neither Party will use any trade name, trademark, or other designation of the other Party in advertising, publicity, promotional, or marketing materials, or any other activity, including announcements about this Franchisee Supply Agreement, without the express written consent of the other Party in each instance; provided, however, that this restriction shall not apply to either Party in connection with any disclosure requirements pursuant to applicable securities laws or stock exchange rules or regulations. In addition, both Parties acknowledge that this transaction may require a public announcement and agree to construct a mutually agreeable public release.

## **6. Reserved.**

## **7. Indemnification.**

(a) **Indemnification.** Subject to Section 7(b) below, Core-Mark shall indemnify, defend and hold harmless Service Recipient and its affiliates, officers, directors, employees, representatives and agents (excluding Core-Mark) (collectively, the "Service Recipient Indemnitees") from and against any and all third party claims, losses, liabilities, damages, obligations, payments, costs, and expenses, including, without limitation, the costs and expenses of any and all actions, suits, judgments, and settlements relating thereto, and reasonable attorneys' fees in connection therewith ("Losses"), of such Service Recipient Indemnitee that are caused by or arise out of or are connected with (i) any breach of this

Franchisee Supply Agreement by Core-Mark or Core-Mark Agents (ii) any negligent act, error or omission by Core-Mark or Core-Mark Agents in the performance of this Franchisee Supply Agreement, including, but not limited to such negligent acts, errors or omissions relating to the production, supply, labeling, packaging, storage, distribution, display or delivery by Core-Mark of any Goods, article or other item provided by Core-Mark; (iii) fraud, malfeasance, breach of fiduciary duty or willful, reckless or criminal misconduct in connection with the performance of Core-Mark's duties under this Franchisee Supply Agreement; (iv) the failure of Core-Mark to comply with applicable laws, statutes, ordinances or regulations of any governmental or quasi-governmental authority; (v) any and all claims that any of the Goods, directly or indirectly, violate, infringe, or any contain material that infringes upon any patent, trademark, trade secret, copyright or any proprietary, intellectual property, industrial property, contract or other right held by any person; or (vi) any personal injury (including death) or any damage, loss or destruction of property resulting from or alleged to have resulted from any acts or omissions of Core-Mark or from the Goods or the manufacture, marketing, packaging, labeling, distribution, sale or use of the Goods.

(b) **Exceptions and Limitations on Indemnification.** Notwithstanding anything to the contrary in this Franchisee Supply Agreement, Core-Mark is not obligated to indemnify, defend or hold harmless (if applicable) any Service Recipient Indemnitee against any Losses as specified in Section 7(a) to the extent they are caused by or arise out of or are connected any Service Recipient Indemnitee's (A) negligence or more culpable act or omission (including recklessness or willful misconduct); (B) bad faith failure to comply with any of its obligations set forth in this Franchisee Supply Agreement; or (C) use of the Goods, articles or other items provided by Core-Mark in any manner not otherwise authorized under this Franchisee Supply Agreement or that does not materially conform with any usage instructions, guidelines or specifications provided by Core-Mark or (ii) arising in any manner whatsoever from the use or consumption of, or exposure to, any Good, article or other item provided by Core-Mark, including, but not limited to, tobacco, cigarettes and/or any other tobacco or nicotine related products (including, but not limited to, the consequences or effects (whether to the consumer of any such Good, article or other item provided by Core-Mark or other persons) from the use or consumption of, or exposure to any such Good, article or other item provided by Core-Mark), except to the extent Core-Mark is indemnified by the manufacturers or producers of such Good, article or other item provided by Core-Mark (including, but not limited to, tobacco, cigarettes and/or any other tobacco or nicotine related product).

(c) **Procedure.** The amount paid by Core-Mark under the foregoing indemnification shall be reduced by the amount of any proceeds received by Service Recipient from the insurance maintained by Core-Mark under Section 9 or otherwise. The Service Recipient Indemnitee (either individually or through RW Venture Holdings, Inc.) will promptly notify Core-Mark of any claims and cooperate with Core-Mark in defending such claims. Core-Mark is entitled to defend the claims at its expense with counsel of its choosing. The Service Recipient Indemnitee may participate in the defense of the Losses at its expense with counsel of its own choosing. The terms of Section 7(a), 7(b) and this 7(c) shall survive the expiration or earlier termination of this Franchisee Supply Agreement, provided that all claims for indemnification shall relate to events which occurred during the Term.

**8. Intellectual Property.** If any portion of the Goods become the subject of a claim for infringement of any intellectual property right, Core-Mark shall, in addition to its indemnification obligations, either: (i) obtain permission from the claimant for Service Recipient's continued use of the affected Goods; or (ii) replace or modify the Goods to avoid infringement, so long as such replacement or modification has the same or better functionality and capabilities as the affected Goods.

## **9. Insurance.**

(a) Core-Mark shall maintain the following insurance with a carrier acceptable to Service Recipient and with an A.M. Best rating of A-, VII or better:

(i) Comprehensive General Liability Insurance with a minimum limit of \$5,000,000 per occurrence for Bodily Injury and Property Damage, and with Products and Completed Operations and Contractual Liability coverage and shall name Service Recipient as an additional insured with such insurance being primary to and not in excess to any other insurance available to Service Recipient;

(ii) Workers' Compensation and Employers Liability Insurance, as prescribed by applicable law of the states having jurisdiction over each employee, in a minimum amount of \$1,000,000 per accident, \$1,000,000 disease per employee and \$1,000,000 disease policy limit, with such insurance being primary to and not in excess to any other insurance available to Service Recipient; and

(iii) Automobile Liability Insurance with a minimum limit of \$5,000,000 per occurrence for Bodily Injury and Property Damage including hired and non-owned vehicles with such insurance being primary to and not in excess to any other insurance available to Service Recipient.

The above limits may include primary and umbrella limits.

All policies shall include Service Recipient and its subsidiaries and affiliates as additional insureds with the exception of the Workers' Compensation policy and provide a waiver of subrogation in favor of Service Recipient.

(b) **Proof of Insurance.** Core-Mark shall furnish Service Recipient with Certificate(s) of Insurance evidencing that the above coverage is in effect, and replacement certificates for all renewals of such insurance. All policies shall include Service Recipient as an additional insured, provide a waiver of subrogation clause in favor of Service Recipient, and shall state that all coverage provided by you shall be primary to any insurance carried by Service Recipient for its own account. Such Certificates of Insurance shall also provide Service Recipient with thirty (30) days prior written notice of any cancellation or adverse material change with respect to any of the policies, including, but not limited to, any reduction in limits available to Service Recipient. Any such notice of cancellation shall not be effective until thirty (30) days after receipt of such written notice by Service Recipient.

## **10. Limits on Liability.**

(a) EXCEPT FOR DAMAGES RELATED TO A BREACH OF SECTION 7 (INDEMNIFICATION) OR SECTION 12(b) (COMPLIANCE WITH LAW) OF THIS FRANCHISEE SUPPLY AGREEMENT, TO THE EXTENT PERMITTED BY LAW, NEITHER PARTY WILL BE LIABLE TO THE OTHER OR ANY THIRD PARTY FOR LOST PROFITS, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL, EXEMPLARY, OR INDIRECT DAMAGES OF ANY KIND, EVEN IF SUCH PARTY HAS BEEN ADVISED OF SUCH DAMAGES IN ADVANCE OR SUCH DAMAGES WERE FORESEEABLE.

(b) EXCEPT FOR DAMAGES RELATED TO A BREACH OF SECTION 7 (INDEMNIFICATION) OR SECTION 12(b) (COMPLIANCE WITH LAW) OF THIS FRANCHISEE

SUPPLY AGREEMENT, TO THE EXTENT PERMITTED BY LAW, THE TOTAL, CUMULATIVE LIABILITY OF EACH PARTY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE GOODS PROVIDED HEREUNDER, WHETHER BASED ON CONTRACT, IN TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, WILL BE LIMITED TO \$20,000,000, OTHER THAN LIABILITIES RELATED TO A PAYMENT DEFAULT.

## **11. Miscellaneous.**

(a) **Relationship of Parties.** Nothing in this Franchisee Supply Agreement, or any activities under it, will be construed in any way whatsoever to constitute the Parties as partners, co-venturers, joint venturers, employees, representatives or agents of the other Party. The Parties and their respective agents and contractors will have no authority to act or purport to act on the other's behalf or otherwise bind the other Party to any liability, debt or obligation.

(b) **Compliance with Law.** Each Party is in compliance with and shall comply with all applicable laws, regulations, and ordinances. Each Party has and shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under this Franchisee Supply Agreement.

(c) **Notices.** Any notice or demand which is required or permitted to be given under this Franchisee Supply Agreement will be deemed sufficiently given and received for all purposes when delivered by hand, confirmed electronic transmission, or nationally recognized overnight courier, or five (5) days after being sent by certified or registered mail, postage and charges prepaid, return receipt requested, to the applicable address below and to the email address of such other person(s) or officer(s) as either Party may designate by written notice. A Party may change the notice address specified below giving notice pursuant to this Section and such changes will become effective five days following the date notice of the change is received by the other Party.

### **For Service Recipient:**

Service Recipient Name \_\_\_\_\_

Service Recipient Address \_\_\_\_\_

Attn: \_\_\_\_\_

### **For Core-Mark:**

Core-Mark International, Inc.  
1500 Solana Boulevard, Suite 3400  
Westlake, Texas 76262  
Attn: Vice President – Sales

(d) **Assignment.** This Franchisee Supply Agreement will be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns. Service Recipient may not assign any of its rights or delegate any of its obligations under this Franchisee Supply Agreement without the prior written consent of Core-Mark. Core-Mark may delegate performance of any of its obligations hereunder to one or more of its affiliates. Any purported assignment or delegation in violation of this Section is null and void.

(e) **Authority.** Each person executing this Franchisee Supply Agreement represents that he or she has full and legal authority to execute this Franchisee Supply Agreement for and on behalf of the respective Party for which he or she is executing this Franchisee Supply Agreement and to bind that Party.

(f) **Choice of Law, Jurisdiction and Venue.** This Franchisee Supply Agreement and any claim arising out of or relating to this Franchisee Supply Agreement will be governed, enforced, and construed under the laws of the state of Service Recipient's principal place of business without regard to conflicts of laws principles that would require the application of any other laws or presumption or rule of law requiring its construction against the Party drafting any part of this Franchisee Supply Agreement. The Parties will bring any action or suit concerning or arising out of this Franchisee Supply Agreement in any federal or state court located in the state of Service Recipient's principal place of business. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(g) **Jury Waiver.** TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES KNOWINGLY AND WILLINGLY EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON, ARISING OUT OF, OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, IN ANY ACTION, PROCEEDING, OR OTHER LITIGATION OF ANY TYPE (WHETHER BASED ON CONTRACT, IN TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY) INCLUDING ANY ACTION, COUNTERCLAIM, OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION OF THIS AGREEMENT. THIS WAIVER WILL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS AGREEMENT.

(h) **Cumulative Remedies.** All rights and remedies provided in this Franchisee Supply Agreement are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.

(i) **Severability; Waiver; Survival.** If a court determines that any term of this Franchisee Supply Agreement is invalid, void or unenforceable to any extent, the remaining terms will remain in full force and effect. The waiver by either Party of a breach of any provision of this Franchisee Supply Agreement will not operate or be construed as a waiver of any subsequent breach. The sections of this Franchisee Supply Agreement that by their nature are intended to survive, including but not limited to Sections 9 (Insurance), 7 (Indemnification), 5 (Confidentiality), 11(b) (Compliance with Laws), and 11(h) (Survival) shall survive the expiration or termination of this Franchisee Supply Agreement. Neither expiration nor termination of this Franchisee Supply Agreement for any reason shall release a party from liabilities or obligations set forth herein which the parties have expressly agreed will survive such expiration or termination.

(j) **Entire Franchisee Supply Agreement.** This Franchisee Supply Agreement, along with any statements of work, exhibits, addendums, and amendments hereto, encompasses the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all previous agreements between the Parties with respect to such subject matter.

(k) **Amendments.** No amendment to or modification of this Franchisee Supply Agreement is effective unless it is in writing and signed by an authorized representative of each Party.

(l) **No Third-Party Beneficiaries.** The Parties intend the terms and provisions of this Franchisee Supply Agreement solely to benefit Core-Mark and Service Recipient and their respective successors and permitted assigns. The Parties do not intend to, and do not, confer third-party beneficiary rights on any third party.

(m) **Force Majeure.** Neither Party shall be liable or responsible to the other Party, nor be deemed to have defaulted under or breached this Franchisee Supply Agreement, for any failure or delay in fulfilling or performing any term of this Franchisee Supply Agreement (except for any obligations to make payments to the other Party under this Franchisee Supply Agreement), when and to the extent such failure or delay is caused by or results from acts beyond the affected Party's reasonable control, including, without limitation: (a) acts of God; (b) flood, fire, earthquake or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (d) regulation of any governmental agency or authority to the extent such regulation operates as a bar to a Party's performance of its obligations; (e) actions, embargoes or blockades in effect on or after the date of this Franchisee Supply Agreement; (f) national or regional emergency; (h) strikes, labor stoppages, or slowdowns or other industrial disturbances; and (i) shortage of adequate power or transportation facilities (each a "**Force Majeure Event**"). Any delay in performance by either Party pursuant to this Section will continue only for so long as the Force Majeure Event continues, and only to the extent that the Party is so prevented or delayed.

(n) **Construction.** The terms "include," "including" and similar terms will be construed as if followed by the phrase "without being limited to." The term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." All references to sections, exhibits, and appendices will be construed to refer to sections of, and exhibits and appendices to, this Franchisee Supply Agreement. The headings of the sections and subsections in this Franchisee Supply Agreement are inserted for convenience of reference only and will not control or affect the meaning or construction of any of the agreements, terms, covenants and conditions of this Franchisee Supply Agreement in any manner. Neither this Franchisee Supply Agreement nor any uncertainty or ambiguity will be construed or resolved against any Party under any rule of construction or otherwise.

(o) **Counterparts.** This Franchisee Supply Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. Counterparts may be delivered via facsimile, electronic mail (including PDF or any electronic signature complying with the U.S. federal ESIGN Act of 2000) or other transmission method, and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

*[signature page follows]*

IN WITNESS WHEREOF, the Parties hereto have caused this Franchisee Supply Agreement to be executed as of the Effective Date by their respective representatives thereunto duly authorized.

**[SERVICE RECIPIENT]**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CORE-MARK INTERNATIONAL, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT M**

**MACHINE BUNDLE AGREEMENT -FRAZIL (FREEZING POINT)**

(see attached)

### MACHINE BUNDLE AGREEMENT (2023)

This Agreement is between Freezing Point LLC, a Utah Corporation (Freezing Point, The Company, We, Us) and the Customer specified below;

The Customer Billing Information (the Customer, You, Your)			
Account Contact/Title (Owner/Manager/etc.):			
Account Name (company name and DBA, if different):		Chain Name (only applicable with 3+ locations):	
Street Address:		City:	State:
Account Contact Phone Number:		Email:	
Distribution Partner Information (the Distributor)			
Distributor	Distributor Division (if applicable):	Primary Distributor (YES/NO):	
Distributor Account Manager:	Phone Number:	E-mail:	

**PRODUCT.** We desire to sell frozen beverage products under the Frazil, Frazil Energy and/or Café Tango trademarks (the Product) and You desire to sell the Product at the Location(s) specified in Exhibit A according to the terms and conditions specified below;

**BUNDLE PROGRAM AND PRICING.** We agree to temporarily provide You a Bunn Ultra two bowl frozen beverage machine to be used to sell the Product at the Location(s) specified in Exhibit A and You agree to sell ONLY the Frazil, Frazil Energy and/or Café Tango Product through the machine(s) provided by Us. Any use of the machines by You to sell non- Frazil, Frazil Energy and/or Café Tango product constitutes a breach of this Agreement and theft of product by You and subjects You to the penalties and remedies described herein for such breach. You further agree to purchase the Product through the Distributor listed above and pay the Distributor's Bundle price for each case of the Product. You acknowledge that all pricing is subject to change and may vary by Distributor;

**MINIMUM PURCHASE.** You agree to purchase a minimum of 20 cases of product annually for each machine provided by Us. We will begin tracking the product purchase minimums starting the first full calendar month after the machine(s) are installed in Your location(s). In the event that You fail to purchase the annual minimum We will force out the product shortfall through the Distributor at the agreed upon product price, or Invoice You \$45.00 for each case that you are short of the annual minimum. Payment for any case shortfall shall be due immediately upon receipt of invoice;

**PROGRAM QUALIFICATIONS.** You acknowledge that each location listed in Exhibit A of this agreement meets the minimum qualification criteria specified below (The Customer must initial next to each requirement);

- Each Location has an active food service program, including but not limited to fountain machine, roller grill, chicken, pizza, or sandwich program;
- Each Location is currently purchasing a minimum of \$1,400 weekly of non-tobacco merchandise from the Distributor or combination of distributors;
- Each Location has counter space available that is at least 24" wide by 24" deep and is capable of supporting 200 pounds;
- Each Location has a dedicated 120-volt, 20-amp electrical outlet, with 3 prong plug (no extension cords);
- Each Location has a health department approved sink that can be used to mix product and clean the machine(s);
- Each Location agrees to exclusively sell Frazil as their fruit flavor FUB program and /or Café Tango as their coffee flavor FUB program and will discontinue selling any other fruit flavor FUB product and/or coffee flavor FUB product and will remove all non-Frazil branded machines and/or non-Café Tango branded machines and marketing materials upon installation of the Bundle Machine;
- An initial order of 4 cases of Frazil product/machine is pre-approved as part of the set-up of the account. Exhibit B or distributor order form required;

**MARKETING.** Upon the initial installation of the machine(s) at the Location(s) We will provide You with basic marketing materials to promote the sale of the Product. We may from time to time produce additional marketing materials that You can use to promote the sale of the Product at Your Location(s). You agree to use Your reasonable best efforts to promote the Frazil, Frazil Energy and/or Café Tango Trademark(s) and Product at Your Location(s);

**DATA REPORTING.** You authorize Us to receive location specific information pertaining to the Frazil, Frazil Energy and/or Café Tango Program, including Frazil, Frazil Energy and/or Café Tango program pre-qualification information (non-tobacco and/or coffee sales data) and Frazil, Frazil Energy and/or Café Tango case sales data, which will be used to qualify and optimize Your FUB category/customer experience;

**MACHINE REPAIR AND MAINTENANCE.** We agree to pay for all repair and maintenance that is required to keep the machine(s) in good working order. All repair and maintenance will be performed by an authorized service provider during normal business hours;

**MACHINE CLEANING AND SANITATION.** You agree to perform all routine maintenance including but not limited to: (1) cleaning the exterior of the machine(s) and emptying the drip tray(s) daily, (2) cleaning and sanitizing the machine(s) at least monthly or as often as may be required by the local health department and (3) cleaning the filter at least monthly or as often as needed. You agree to follow the recommended cleaning and sanitation procedures provided by the machine manufacturer and Us and agree to pay for any repairs that are required because of neglect;

**PRODUCT PREPARATION.** You agree to mix the Product according to instructions provided by Us. You further agree to use Your best efforts to keep the machine full of the Product at all times. We recommend that You keep at least two gallons of mixed Product in the cooler for rapid refill of the machine(s) as needed;

**FRAZIL AND/OR CAFÉ TANGO BRANDED CUPS.** Unless otherwise agreed upon in writing, you agree to use only Frazil and/or Café Tango branded cups;

**TERM.** This Agreement is effective as of the date mentioned below and will continue for three (3) years or until terminated by either party. At the end of the initial term We may request that You renew the agreement for an additional three (3) years and require You to sign a current agreement and abide by the terms and conditions of the current Agreement. In the event that the agreement is not renewed in writing then this agreement will continue on a month-to-month basis until terminated by either party. This agreement may be terminated by either party at any time by providing a written termination notice at least 30 days prior to the desired termination date;

**FAILED INSTALLATION.** In the event that any of the qualifications listed above are misrepresented and/or delivery is refused and We are unable to install the machine(s) at Your Location(s) then You agree to pay Us \$450.00 to cover the cost of the failed install;

**TRADEMARK.** You acknowledge that the Frazil, Frazil Energy and Café Tango trademarks are federally registered trademarks and can only be used for the sale and distribution of the Products. All marketing materials, advertising materials or printed cups bearing the Frazil, Frazil Energy or Café Tango trademarks must be provided by Us or approved by Us in writing. You acknowledge that federal trademark law gives Us the right to control the nature and quality of the products associated with the trademark and agree to allow Us to conduct the necessary inspections, tests and audits to ensure compliance with the standards specified by Us. You are not entitled, either by implication or otherwise, to any title or interest in any trademark, trade name, logo, design, or copyright materials created by Us. In the event that You ever discontinue selling the Product You agree to remove and destroy all Frazil, Frazil Energy and Café Tango branding and marketing materials from the Location(s) listed in Exhibit A. You further agree that you will not alter or remove the Frazil, Frazil Energy and Café Tango trademarks from the machines or other Freezing Point products provided to You, nor rebrand or use any trademark other than Frazil, Frazil Energy and Café Tango in connection with the use and operation of the machines and other Freezing Point products;

**PRODUCT WARRANTY.** We represent and warrant that the Products provided by Us complies with Federal, State, and Local laws and will be of merchantable quality. If any Products do not conform to such warranty and You report such nonconformity to Us within ten (10) days of delivery, we will replace the nonconforming Product, through the Distributor without cost to You. Any liability for consequential and incidental damages is expressly disclaimed. Our liability in all events is limited to the purchase price paid;

**MACHINE OWNERSHIP.** We maintain ownership of the Bunn Ultra Machine(s) provided to You and ownership NEVER transfers to You without a written sales agreement. We maintain the right to remove the machine(s) from Your location(s) for any reason. In the event that We deem it necessary to remove the machine(s), You agree to not impede or restrict the removal; The machine(s) may not be relocated or removed from the Location(s) without written consent from Us. The machine(s) may not be sold, bartered or rented. You agree to notify Us immediately of any Location(s) that are closing or transferring ownership; You also agree to inform the purchasing party of the location that the machine(s) are owned by Us, and not included as part of the sales/transfer of ownership of the store; and You acknowledge that failure to inform the new store owner of Our ownership of the machine is a misrepresentation of machine ownership status to the store owner;

**DAMAGE, THEFT OR LOSS.** In the event of damage, theft or loss, You are responsible to pay Us the full replacement value of the machine(s) provided and any legal fees required to secure the payment of the replacement value of the machine;

**REMEDIES.** Any breach or default by You of any representation, warranty, covenant or agreement in this Agreement will entitle Us to pursue all legal remedies available to Us at law or in equity. Without limiting the foregoing, upon any such breach or default by You, You agree that We are entitled to take any one or more of the following actions: (i) immediately terminate this Agreement; (ii) take possession of the machines and any other Frazil product in Your possession; (iii) upon written notice to You, cause all of Your payment obligations under this Agreement for the remainder of the initial 3 year Term to be accelerated and become immediately due and payable; (iv) recover from You all of Our costs and expenses (including attorney's fees) incurred on account of Your breach or default and Our efforts to enforce our remedies; (v) recover from You all profits you received for improper use of the machines (including rebranding of the machines or selling of non-Frazil products in the machines, or selling or conveying the machines themselves); and (vi) obtain injunctive relief against You to prohibit your further breaches and defaults under this Agreement. All of Our remedies are cumulative and may be exercised concurrently or separately.

**PROPERTY TAX.** You are responsible to pay any applicable property tax that may be charged by the city, county or state on the machine(s) provided by Us. We reserve the right to invoice You for any property tax that may be levied upon Us;

**PAYMENT TERMS.** You agree to pay all invoices from Us within ten (10) days of receiving them. Overdue amounts are subject to collection and carry a service charge of 1.5% per month, 18% per year, or the maximum legally allowable rate;

**GOVERNING LAW.** This Agreement shall be governed exclusively by the laws of the State of Utah. If litigation results, we both agree to reimburse the prevailing party reasonable attorney's fees, court costs, and all other expenses;

**INDEMNIFICATION.** You accept all responsibility of risks of loss, injury or damage caused by the machine(s) or by the operation of the machines(s) and shall indemnify Us for all liabilities, claims, suits, damages and losses arising from the same. This indemnity will continue even after this Agreement has ended;

**FAILURE TO ENFORCE.** The failure of either Party to insist on strict performance of any covenant or obligation under this Agreement, regardless of the length of time for which such failure continues, shall not be deemed a waiver of such Party's right to demand strict compliance in the future;

**CONFIDENTIALITY.** All information concerning the Product, Trademarks and distribution system that is not intended for public display shall be considered confidential and You agree not disclose this information to others;

**ELECTRONIC SIGNATURES.** Freezing Point and the Customer both agree that electronic signatures will be considered as good as original signatures and admissible in court as conclusive evidence of this Agreement. This Agreement is not binding until signed by Freezing Point;

**ASSIGNMENT.** You shall not assign or otherwise transfer any of Your rights or obligations under this Agreement;

**INDEPENDENT CONTRACTORS.** Freezing Point, The Customer and the Distributor are independent contractors, and nothing contained in this Agreement should be construed to create a partnership joint venture, an employer-employee relationship;

This Agreement constitutes the entire agreement between Freezing Point and the Customer and is executed as of \_\_\_\_\_ (Month/Day/Year).

Freezing Point LLC:

The Customer:

Name:

Name:

Title:

Title:

Signature:

Signature:

Date

The Customer Location Information (the Location)					
Store Contact/Title (For Installs and Service):		Dist. Account Number:	Number of Gas Pumps:	Store/Retail Space (sf):	
Store Name:		Please check all active foodservice programs present: fountain machine      roller grill      chicken      pizza      sandwich			
Street Address:		City:		State:	Zip/Postal Code:
Store Phone Number:	2 <sup>nd</sup> Phone Number:	Does this location already have a Frazil Machine? (YES/NO)		# of Frazil machines requested for installation?	
Email:		Does this location already have a Frazil Energy Machine? (YES/NO)		# of Frazil Energy machines requested for installation?	
Best time to contact:		Does this location already have a Café Tango Machine? (YES/NO)		# of Café Tango machines requested for installation?	
Additional comments and information about this location:					

The Customer Location Information (the Location)					
Store Contact/Title (For Installs and Service):		Dist. Account Number:	Number of Gas Pumps:	Store/Retail Space (sf):	
Store Name:		Please check all active foodservice programs present: fountain machine      roller grill      chicken      pizza      sandwich			
Street Address:		City:		State:	Zip/Postal Code:
Store Phone Number:	2 <sup>nd</sup> Phone Number:	Does this location already have a Frazil Machine? (YES/NO)		# of Frazil machines requested for installation?	
Email:		Does this location already have a Frazil Energy Machine? (YES/NO)		# of Frazil Energy machines requested for installation?	
Best time to contact:		Does this location already have a Café Tango Machine? (YES/NO)		# of Café Tango machines requested for installation?	
Additional comments and information about this location:					

The Customer Location Information (the Location)					
Store Contact/Title (For Installs and Service):		Dist. Account Number:	Number of Gas Pumps:	Store/Retail Space (sf):	
Store Name:		Please check all active foodservice programs present: fountain machine      roller grill      chicken      pizza      sandwich			
Street Address:		City:		State:	Zip/Postal Code:
Store Phone Number:	2 <sup>nd</sup> Phone Number:	Does this location already have a Frazil Machine? (YES/NO)		# of Frazil machines requested for installation?	
Email:		Does this location already have a Frazil Energy Machine? (YES/NO)		# of Frazil Energy machines requested for installation?	
Best time to contact:		Does this location already have a Café Tango Machine? (YES/NO)		# of Café Tango machines requested for installation?	
Additional comments and information about this location:					

**Note:** For more locations, make additional copies of this page.

**FRAZIL PRODUCT – ORDER FORM**

3560 W Ninigret Drive, Salt Lake City, Utah 84104, www.frazil.com

Order Desk: 801-858-0321

**FAX ORDERS TO: 801-858-0322**
**EMAIL ORDERS TO: orderdesk@freezingpointllc.com**

Order Date (mm/dd/yyyy):		Ordered By:				
Dist. Acct. Number:			Location Contact Name:			
Company Name:			Location Name:			
Street Address:						
City, State, Zip:						
Location Phone:	2 <sup>nd</sup> Phone:					
Email:						
Item	Item Code	Product Description	Unit	Case Count	Quantity	Shipping Dates
1	FP-TIGBLO	Frazil – Tigers Blood (red color)	Case	10/1 GL packs per case		
2	FP-SIMMAN	Frazil – Simply Mango (yellow color)	Case	10/1 GL packs per case		
3	FP-BLURAZ	Frazil – Blue Razmatazz (blue color)	Case	10/1 GL packs per case		
5	FP-SOUAPP	Frazil – Green Apple (green color)	Case	10/1 GL packs per case		
6	FP-BERTRI	Frazil – Bermuda Triangle (yellow color)	Case	10/1 GL packs per case		
7	FP-GEOPEA	Frazil – Georgia Peach (orange color)	Case	10/1 GL packs per case		
8	FP-LEMICE	Frazil – Lemon Ice (white color)	Case	10/1 GL packs per case		
9	FP-EN-SMABER	Frazil <b>ENERGY</b> – Smashberry (light red color) *NEW*	Case	10/1 GL packs per case		
10	FP-EN-ORACRE	Frazil <b>ENERGY</b> – Orange Cream (orange color) *NEW*	Case	10/1 GL packs per case		
11	FP-EN-PINCOL	Frazil <b>ENERGY</b> – Pina Colada (light yellow color) *NEW*	Case	10/1 GL packs per case		
12	FP-EN-LIMONA	Frazil <b>ENERGY</b> – Limonade (green color) *NEW*	Case	10/1 GL packs per case		
13	CP-PV-FR12Z3C	Frazil – 12oz Polypropylene cups	Case	300 cups per case		
14	CP-PV-FR20Z3C	Frazil – 20oz Polypropylene cups	Case	300 cups per case		
15	CP-PV-FR32Z3.3C	Frazil – 32oz Polypropylene cups	Case	330 cups per case		
16	CP-PV-FR40Z3C	Frazil – 40oz Polypropylene cups	Case	280 cups per case		
17	CP-PV-LID12206C	Clear Straw Slot Lid for 12oz & 20oz Frazil cups	Case	600 lids per case		
18	CP-PV-LID326C	Clear Straw Slot Lid for 32oz Frazil cups	Case	600 lids per case		
19	CP-PV-LID40446C	Clear Straw Slot Lid for 40oz Frazil cups	Case	600 lids per case		
20	CP-SPSTRAWS	Spoon Straws Jumbo Wrapped	Box	300 straws per box		
21	CP-FR-DB72D	Double Bubble 12oz cups - multi color, w/counter display rack	Case	72 cups per case		
22	FP-CTMOCAPWDR	Café Tango – Mocha Frozen Coffee	Case	10/1 GL packs per case		
23	FP-CTFNVLPWDR	Café Tango – French Vanilla Frozen Coffee	Case	10/1 GL packs per case		
24	CP-PV-CT16Z3C	Café Tango – 16oz Polypropylene cups	Case	300 cups per case		
25	CP-PV-CT24Z3C	Café Tango – 24oz Polypropylene cups	Case	300 cups per case		
26	CP-PV-LID16246C	Café Tango – 16/24oz lids	Case	600 lids per case		
27	CP-CTSTRAWS	Café Tango – Spoon Straws Jumbo Wrapped Black	Box	300 straws per box		
<b>NOTES:</b>						
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## **State Effective Dates**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
Illinois	Pending
Indiana	Pending
Michigan	Pending
New York	Pending
Rhode Island	Pending
Virginia	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

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 RW Venture Holdings, 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.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If RW Venture Holdings, 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 appropriate state agency identified on Exhibit A.

The franchisor is RW Venture Holdings, Inc., 200 Galleria Parkway, SE, Suite 900, Atlanta, Georgia 30339. Its telephone number is (770) 431-7600.

Issuance Date: April 29, 2024

The franchise seller for this offering is Pratik Patel at RW Venture Holdings, Inc., 200 Galleria Parkway, SE, Suite 900, Atlanta, Georgia 30339, (770) 431-7600.

We authorize the respective state agents identified on Exhibit A to receive service of process for us in the particular states. I received a disclosure document from RW Venture Holdings, Inc. dated as of April 29, 2024, that included the following Exhibits:

- A. List of State Agencies/Agents for Service of Process
- B. Franchise Agreement
- C. Lease and Gasoline Services Rider
- D. Operations Manual Table of Contents
- E. Financial Statements
- F. State Addenda
- G. Franchisee Representations
- H. List of Franchisees
- I. Former Franchisee Contact Information
- J. Bean 2 Cup Lease
- K. Raceway Franchisee Participation Agreement for Coca- Cola Freestyle
- L. Franchisee Supply Agreement (Core-Mark International)
- M. Machine Bundle Agreement- Frazil (Freezing Point)

---

Date

Prospective Franchisee [Print Name]

(Date, Sign, and Return to Us)

---

Prospective Franchisee [Signature]

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- M. Machine Bundle Agreement- Frazil (Freezing Point)

Date	Prospective Franchisee [Print Name]
(Date, Sign, and Keep for Your Own Records)	Prospective Franchisee [Signature]

**RW VENTURE HOLDINGS, INC.**  
**2024 RECEIPT OF FRANCHISE-RELATED DOCUMENTS**

The undersigned, personally and/or as an officer, managing member, or partner of the proposed franchisee, does hereby acknowledge receipt of the following documents, in form for execution, relating to the franchise of RW Venture Holdings, Inc.:

[ ] (1) Franchise Agreement  
[ ] (2) Lease and Gasoline Services Rider  
[ ] (3) Franchisee Representations  
[ ] (4) Security Agreement  
[ ] (5) Bean 2 Cup Lease  
[ ] (6) Other (specify): \_\_\_\_\_

(Proposed franchisee must initial the box adjacent to the applicable document.)

I further acknowledge my understanding that it is my responsibility, individually and/or as an officer, managing member, or partner of the proposed franchisee, to review all of these documents so that I am fully familiar with the transaction they contemplate before signing them.

DATED: \_\_\_\_\_

A FEDERAL TRADE COMMISSION RULE REQUIRES THAT WE PROVIDE YOU WITH THE FRANCHISE-RELATED DOCUMENTS NOTED ABOVE AT LEAST SEVEN (7) CALENDAR DAYS BEFORE YOU SIGN THEM IF WE HAVE MADE ANY UNILATERAL, MATERIAL CHANGES IN THE VERSIONS OF THESE DOCUMENTS INCLUDED AS EXHIBITS IN OUR FRANCHISE DISCLOSURE DOCUMENT. PLEASE DO NOT SIGN OR RETURN THESE DOCUMENTS UNTIL SEVEN (7) CALENDAR DAYS HAVE ELAPSED FROM THE DATE OF THIS RECEIPT.

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\_\_\_\_\_  
individually

and/or as an officer, managing member, or partner of:

a (\_\_\_\_\_ corporation)

(\_\_\_\_\_ partnership)

(\_\_\_\_\_ limited liability company)

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

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