



**BUFFALO
WILD
WINGS®**

FRANCHISE DISCLOSURE DOCUMENT

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**BUFFALO
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WINGS®**

BUFFALO WILD WINGS INTERNATIONAL, INC.
Three Glenlake Pkwy NE
Atlanta, GA 30328
(678) 514-4100
www.buffalowildwings.com

You will operate a Buffalo Wild Wings Sports Bar with a sports entertainment-oriented, casual/fast casual restaurant theme offering a wide variety of chicken wings, sandwiches and other products and beverages, including alcoholic beverages.

The total investment necessary to begin operation of a Buffalo Wild Wings Sports Bar franchise ranges from \$2,481,500 to \$4,804,800. This includes \$12,500 to \$105,000 that must be paid to the franchisor or an affiliate. If you sign an Area Development Agreement to develop multiple Buffalo Wild Wings Sports Bars, the total investment necessary to begin operation under the Area Development Agreement is \$12,500 to \$375,000. This includes \$12,500 to \$375,000 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 the Buffalo Wild Wings Franchise Development Department at Three Glenlake Pkwy NE, Atlanta, Georgia 30328 and (678) 514-4100.

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

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

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

Issuance Date: March 24, 2023

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About This Franchise

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

1. **Out-of-State Dispute Resolution.** The Franchise Agreement and Area Development Agreement require you to resolve disputes with the franchisor by litigation only in the then-current city of the franchisor's principal business office, which is currently Atlanta, Georgia. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to litigate with the franchisor in a state other than in your own state.

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

**NOTICE REQUIRED
BY
STATE OF MICHIGAN**

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise Section
670 G. Mennen Williams Building
525 West Ottawa, Lansing, Michigan 48933
(517) 335-7567

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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

To simplify the language in this franchise disclosure document, “we” or “us” means Buffalo Wild Wings International, Inc., the franchisor. “You” means the person or entity that buys the franchise. If you are a corporation, partnership or other entity, your Principal Owners must sign a Guaranty and Assumption of Obligations, which means that all of the provisions of the Area Development Agreement (Exhibit D) and Franchise Agreement (Exhibit C and C-1 if applicable) also will apply to them. “Principal Owners” means any person or entity who, when or after you sign the Area Development Agreement or Franchise Agreement, directly or indirectly owns a 10% or greater interest in you. However, if we sign the agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns less than a 10% interest in you, we also may designate that person or entity as a Principal Owner.

We are an Ohio corporation incorporated on May 21, 1990, under the name bw-3 Franchise Systems, Inc. We changed our name to Buffalo Wild Wings International, Inc. on March 26, 2001. Our principal business address is Three Glenlake Pkwy NE, Atlanta, Georgia 30328. We do business under the name “Buffalo Wild Wings” and “Buffalo Wild Wings GO.” We have no predecessors. We began offering franchises in the United States in April 1991 under the names “bw-3” and “Buffalo Wild Wings and Weck.” In 1997 we began converting our franchise network from the “bw-3” brand to the BUFFALO WILD WINGS® brand. Except as noted in this Item, we do not offer, and have never offered, franchises in any other line of business. We have never operated a Buffalo Wild Wings Sports Bar (defined below), although our related companies have owned and operated Buffalo Wild Wings Sports Bars since 1982. We have no other business activities except those described here. If we have an agent for service of process in your state, we disclose that agent in Exhibit A.

The Buffalo Wild Wings Sports Bar Franchise Opportunity

We grant franchises for, and some of our affiliates operate, sports entertainment-oriented, casual/fast casual restaurants/sports bars that feature chicken wings, sandwiches and other products, beverages and services using our certain standards and specifications and otherwise operate under the System (defined below) and the Trademarks (defined below). We call these establishments “Buffalo Wild Wings Sports Bars,” and we call the Buffalo Wild Wings Sports Bar that you operate under the Franchise Agreement your “Sports Bar.” Your Sports Bar will offer the Menu Items (defined below) and operate at a location we accept (the “Authorized Location”) and within a trade area that we designate (the “Designated Area”). The “System” means the Buffalo Wild Wings® System, which consists of distinctive food and beverage products prepared according to special and confidential recipes and formulas with distinctive storage, preparation, service and delivery procedures and techniques, offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials and using certain distinctive types of facilities, equipment, supplies, ingredients, business techniques, methods and procedures, together with sales promotion programs, all of which we may periodically modify and change. “Trademarks” means the BUFFALO WILD WINGS® trademark and service mark and other trademarks, service marks, trade names and logos, as we may periodically modify and change them, and the Trade Dress and other commercial symbols used in the Sports Bar. “Trade Dress” includes the designs, color schemes and image we periodically authorize you to use in operating the Sports Bar, as we may periodically modify them. “Menu Items” means the chicken wings, sandwiches and other products and beverages prepared according to our specified recipes and procedures, as we may periodically modify and change them, that we periodically authorize for sale at your Sports Bar.

We are currently offering franchises and development rights for full-size Buffalo Wild Wings Sports Bars. But we and our affiliates are always evaluating additional restaurant concepts or other means to deliver products and services to the marketplace, whether on a short-term or long-term basis.

We offer to qualified entities the right to develop multiple Buffalo Wild Wings Sports Bars within a protected territory (“Development Territory”) under the terms of the Area Development Agreement. The Area Development Agreement will specify the number of Buffalo Wild Wings Sports Bars you will develop over a specified period (the “Development Schedule”). Either you or approved Developer Subsidiaries (defined below) may develop the Buffalo Wild Wings Sports Bars in the Development Territory. “Developer Subsidiary” means a corporation, limited liability company or other business entity of which you own (directly or indirectly) 100% of the issued and outstanding ownership interests. You or your Developer Subsidiary will sign our then current form of Franchise Agreement for each Buffalo Wild Wings Sports Bar developed in the Development Territory, which currently is the form of Franchise Agreement in this disclosure document but could in the future differ from that form. However, if you fully comply with the Area Development Agreement, each Franchise Agreement that the Area Development Agreement covers will reflect the royalty and franchise fee specified in Items 5 and 6.

We also offer to qualified entities the right to develop a Buffalo Wild Wings Sports Bar at certain locations that are by their nature are unique and separate in character from sites generally developed as a Buffalo Wild Wings Sports Bar. Those locations (“Non-Traditional Locations”) include, but are not limited to: (a) military bases and other governmental facilities; (b) universities, schools and other education facilities; (c) airports, train stations, toll plazas and other public or restricted-access transportation facilities or terminals; (d) stadiums, arenas, theaters and other sports and entertainment venues; (e) amusement parks, theme parks, museums, zoos, and other similar public facilities; (f) cafeterias, food courts and other foodservice locations within shopping centers, shopping malls, office buildings/corporate campuses, industrial buildings, and department stores, grocery stores, and similar retail stores; (g) hotels, casinos and convention centers; (h) hospitals, nursing facilities and other medical facilities; and (i) reservations and other sovereign territories. You will sign our then current form of Franchise Agreement and Non-Traditional Rider for each Buffalo Wild Wings Sports Bar developed at a Non-Traditional Location.

The BWW-GO Restaurants

We also grant franchises for restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption using our standards and specifications and that operate under the Buffalo Wild Wings GO® trademarks. We call these establishments “BWW-GO Restaurants.” We have offered franchises for BWW-GO Restaurants since December 2020. We have never operated a BWW-GO Restaurant, although our affiliates have operated BWW-GO Restaurants since May 2020. As of January 1, 2023, there was 41 BWW-GO Restaurant operating in the United States (4 franchised and 37 company-owned).

The Market and Competition

Your Sports Bar will offer food products to the general public and the sales are not seasonal. Your competitors include other bars and restaurants, particularly those offering similar food products, alcoholic beverages and video entertainment, including national or regional franchise systems and other chains. We believe that the market for delivery, carry-out and on-premises dining of chicken wings, sandwiches and other products is well developed.

Laws, Rule and Regulations

Federal and state laws exist that govern the food service industry (including health, sanitation and safety regulations regarding food storage, preparation and safety) and the sale of liquor. You must comply with these laws and other laws that apply to businesses generally. In addition to laws and regulations that apply to businesses generally, your Sports Bar must comply with various federal, state and local government regulations, including those relating to site location and building construction, such as the Americans with Disabilities Act; FDA menu labeling requirements; laws governing the storage, preparation and sale of food products, including meat products, and sale of alcoholic beverages; health, sanitation and safety regulations relating to food service; and other relevant laws (including Consumer Product Safety Improvement Act certifications for giveaways or other items in the Sports Bar characterized as “children’s products”). Some state and local authorities have also adopted, or are considering adopting, laws or regulations that would affect the content or make-up of food served in Buffalo Wild Wings Sports Bars, such as the level of trans fats and sodium contained in a food item. Additionally, the Patient Protection and Affordable Health Care Act requires employers of a certain size to provide health insurance to its employees, and the Menu Labeling Provisions of the Act require certain Buffalo Wild Wings Sports Bars and retail food establishments to post caloric information on menus and menu boards and to provide additional written nutrition information to consumers upon request. You should consider these and other laws and regulations when evaluating your purchase of a franchise. It is your sole responsibility to obtain and keep in force all necessary licenses and permits that public authorities require, including an alcoholic beverage vendor’s license.

Certain Buffalo Wild Wings Affiliates

We are a wholly-owned subsidiary of one of our parents, Buffalo Wild Wings, Inc., a Minnesota corporation (our “Parent”) that developed the concept for the franchise being offered. Our Parent’s principal business address is the same as our address.

One of our affiliates, Inspire International, Inc. (“Inspire International”), was incorporated under the name BWLD Global III, Inc. Inspire International’s principal address is the same as our address. On October 14, 2021, BWLD Global III, Inc. merged with its affiliates Arby’s International, Inc. and Sonic International, Inc., with Inspire International as the surviving entity. As part of that restructuring, BWLD Global III, Inc. changed its name to Inspire International, Inc. Inspire International has directly offered and granted franchises for Buffalo Wild Wings Sports Bars operating outside the United States since its formation in October 2019 and acquired the existing development agreements and franchise agreements for Buffalo Wild Wings Sports Bars outside the United States in December 2019. Inspire International, directly or through its predecessor Arby’s International, Inc., has offered franchises and master franchises for Arby’s restaurants outside the United States, Canada, Turkey and Qatar since May 2016. Inspire International, directly or through its predecessor Sonic International, Inc., has offered franchises for Sonic restaurants outside the United States since November 2019. Lastly, Inspire International has directly offered franchises for Jimmy John’s restaurants outside the United States since November 2022.

In addition to the above, the following affiliates offer and sell franchises internationally: DB Canadian Franchising ULC (“DB Canada”), DDBR International LLC (“DB China”), DD Brasil Franchising Ltda. (“DB Brasil”), DB Mexican Franchising LLC (“DB Mexico”), and BR UK Franchising LLC (“BR UK”). All of Inspire Brands’ franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby’s, have not offered franchises in any other line of business. DB Canada was formed in May 2006 and has, directly or through its predecessors, offered and sold Dunkin’ and Baskin-Robbins franchises in Canada since January 1972. DB China has offered and sold Baskin-Robbins franchises in China since its formation in March 2006. DB Brasil has offered and sold Dunkin’ and Baskin-Robbins franchises in Brazil since its formation in May 2014. DB Mexico has offered and sold Dunkin’ franchises in Mexico since its formation in October 2006. BR UK has offered and sold Baskin-Robbins franchises in the UK since its formation in December 2014.

Except as described herein, none of the international franchisors have offered franchises in any other line of business or operated a BWW Sports Bar.

Inspire Brands

Another of our parent companies is Inspire Brands, Inc. (“Inspire Brands”), whose principal business address is the same as our address. Inspire Brands is a global, multi-brand restaurant company, launched upon completion of the merger between a parent of the Arby’s brand and a parent of the Buffalo Wild Wings brand in February 2018. Subsidiaries of Inspire Brands listed below are our affiliates who own and administer the network of franchised and company-owned restaurants operating under the Arby’s, Buffalo Wild Wings, Jimmy John’s, Sonic, Dunkin’ and Baskin-Robbins brands. Unless otherwise stated, all Inspire Brands’ subsidiaries share our principal business address. Except as described below, none of Inspire Brands’ subsidiaries have ever operated or offered franchises for Buffalo Wild Wings Sports Bars or offered franchises in any other line of business.

The Arby’s brand, founded in 1964, is known for its slow-roasted, freshly-sliced roast beef and other deli-style sandwiches it is the second-largest sandwich restaurant brand in the world. Arby’s Franchisor, LLC (“Arby’s Franchisor”) is the franchisor of Arby’s restaurants in the United States, Canada, Turkey and Qatar. Arby’s Franchisor has offered franchises for Arby’s restaurants since December 2015 but its predecessors have been franchising Arby’s restaurants since 1965. As of January 1, 2023, there were approximately 3,415 Arby’s restaurants operating in the United States (2,305 franchised and 1,110 company-owned), and 174 franchised Arby’s restaurants operating internationally. Predecessors and former affiliates of Arby’s Franchisor have, in the past, offered franchises for other restaurant concepts including T.J. Cinnamon’s® stores that served gourmet baked goods. All of the T.J. Cinnamon’s locations have closed.

Dunkin’ Donuts Franchising LLC (“DD”) is the franchisor of Dunkin’ restaurants in the United States and certain international territories. Baskin-Robbins Franchising LLC (“BR”) is the franchisor of Baskin-Robbins restaurants in the United States and certain international territories. DD and BR became subsidiaries of Inspire Brands in December 2020. Dunkin’ restaurants offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. BR franchises Baskin-Robbins restaurants that offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. DD has offered franchises for Dunkin’ restaurants, and BR has offered franchises for Baskin-Robbins restaurants, since March 2006. As of January 1, 2023, there were 8,118 single-branded franchised Dunkin’ restaurants operating in the United States and 3,872 operating in 37 countries. As of January 1, 2023, there were 1,001 single-branded franchised Baskin-Robbins restaurants in the United States and 5,349 operating in 37 countries and Puerto Rico. As of January 1, 2023, there were 1,252 Dunkin’ and Baskin-Robbins combo restaurants operating in the United States.

Jimmy John’s Franchisor SPV, LLC (“Jimmy John’s”), the franchisor of Jimmy John’s restaurants operating under the JIMMY JOHN’S trade name and business system, became Inspire Brands subsidiary in October 2019. Jimmy John’s restaurants feature high-quality deli sandwiches, served on fresh baked breads, and other permitted food and beverage products. Jimmy John’s has offered franchises for Jimmy John’s restaurants since July 2017, and its predecessor offered franchises for Jimmy John’s restaurants from 1993 until July 2017. As of January 1, 2023, had 2,637 restaurants operating in the United States (2,597 franchised and 40 affiliate-owned).

Sonic Franchising LLC (“Sonic”) became an Inspire Brands subsidiary in December 2018. Sonic has offered franchises for Sonic Drive-In restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks, since May 2011. As of January 1, 2023, there were 3,546 Sonic Drive-Ins (3,221 franchised and 325 company-owned) in operation.

Other Affiliated Franchise Programs

Through control with private equity funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm, we are affiliated with the following franchise programs (“Affiliated Programs”). None of these affiliates operate a Buffalo Wild Wings Sports Bar.

Focus Brands Inc. (“Focus Brands”) is the indirect parent company to 7 franchisors, including: Auntie Anne’s Franchisor SPV LLC (“Auntie Anne’s”), Carvel Franchisor SPV LLC (“Carvel”), Cinnabon Franchisor SPV LLC (“Cinnabon”), Jamba Juice Franchisor SPV LLC (“Jamba”), McAlister’s Franchisor SPV LLC (“McAlister’s”), Moe’s Franchisor SPV LLC (“Moe’s”), and Schlotzsky’s Franchisor SPV LLC (“Schlotzsky’s”). All 7 Focus Brands franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, GA 30342 and have not offered franchises in any other line of business.

Auntie Anne’s franchises Auntie Anne’s® shops that offer soft pretzels, lemonade, frozen drinks and related foods and beverages. In November 2010, the Auntie Anne’s system became affiliated with Focus Brands through an acquisition. Auntie Anne’s predecessor began offering franchises in January 1991. As of December 31, 2022, there were approximately 1,135 franchised facilities and 11 affiliate-owned facilities in the United States and approximately 775 franchised facilities operating outside the United States.

Carvel franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. The Carvel system became an Affiliated Program in October 2001 and became affiliated with Focus Brands in November 2004. Carvel’s predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2022, there were 326 domestic retail shoppes (including 1 shoppe co-branded in a Schlotzsky’s restaurant operated by our affiliate), 30 international retail shoppes, and 2 foodservice locations operated by independent third parties that offer Carvel® ice cream and frozen desserts including cakes and ice cream novelties.

Cinnabon franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle’s Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. In November 2004, the Cinnabon system became affiliated with Focus Brands through an acquisition. Cinnabon’s predecessor began franchising in 1990. As of December 31, 2022, franchisees operated 950 Cinnabon retail outlets in the United States and 918 Cinnabon retail outlets outside the United States and 178 Seattle’s Best Coffee units outside the United States.

Jamba franchises Jamba® stores that feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. Jamba has offered JAMBA® franchises since October 2018. In October 2018, Jamba became affiliated with Focus Brands through an acquisition. Jamba’s predecessor began franchising in 1991. As of December 31, 2022, there were approximately 735 Jamba franchised stores and 3 affiliate-owned Jamba stores in the United States and 54 franchised Jamba stores outside the United States.

McAlister's franchises McAlister's Deli® restaurants which offer a line of deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. The McAlister's system became an Affiliated Program through an acquisition in July 2005 and became affiliated with Focus Brands in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2022, there were 492 domestic franchised McAlister's restaurants and 32 affiliate-owned restaurants operating in the United States.

Moe's franchises Moe's Southwest Grill® fast casual restaurants which feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with Focus Brands through an acquisition. Moe's predecessor began offering Moe's Southwest Grill franchises in 2001. As of December 31, 2022, there were 636 franchised Moe's Southwest Grill restaurants operating in the United States and one franchised restaurant operating outside the United States.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants which feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with Focus Brands through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2022, there were 299 franchised Schlotzsky's restaurants and 27 affiliate-owned restaurants operating in the United States.

Primrose School Franchising SPE, LLC ("Primrose") is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from 6 weeks to 12 years old operating under the Primrose® name. Primrose's principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta GA 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988 and as of December 31, 2022, had 483 franchised facilities. Primrose has not offered franchises in any other line of business.

ME SPE Franchising, LLC ("Massage Envy") is a franchisor of businesses that offers professional therapeutic massage services, facial services and related goods and services under the name "Massage Envy®" since 2019. Massage Envy's principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy's predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2022, there were 1,083 Massage Envy locations operating in the United States, including 1073 operated as total body care Massage Envy businesses and 10 operated as traditional Massage Envy businesses. Additionally, Massage Envy's predecessor previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2022, there were 10 regional developers operating 12 regions in the United States. Massage Envy has not offered franchises in any other line of business.

CKE Inc. ("CKE"), through two indirect wholly-owned subsidiaries (Carl's Jr. Restaurants LLC and Hardee's Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl's Jr.® and Hardee's® trade names and business systems. Carl's Jr. restaurants and Hardee's restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. A small number of Hardee's Restaurants offer Green Burrito® Mexican food products through a Dual Concept Restaurant. A small number of Carl's Jr. Restaurants offer Red Burrito® Mexican food products through a Dual Concept Restaurant. CKE Inc.'s principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee. In December 2013, CKE Inc. became an Affiliated Program through an acquisition. Hardee's restaurants have been franchised since 1961. As of January 30, 2023, there were 195 company-operated Hardee's restaurants, including 4 Hardee's/Red Burrito Dual Concept restaurants, and there were 1,512 domestic franchised Hardee's restaurants, including 146

Hardee's/Red Burrito Dual Concept restaurants. Additionally, there were 429 franchised Hardee's restaurants operating outside the United States. Carl's Jr. restaurants have been franchised since 1984. As of January 30, 2023, there were 48 company-operated Carl's Jr. restaurants, and there were 1,020 domestic franchised Carl's Jr. restaurants, including 266 Carl's Jr./Green Burrito Dual Concept restaurants. In addition, there were 620 franchised Carl's Jr. restaurants operating outside the United States. Neither CKE nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

Driven Holdings, LLC ("Driven Holdings") is the indirect parent company to 10 franchisors, including Meineke Franchisor SPV LLC ("Meineke"), Maaco Franchisor SPV LLC ("Maaco"), Drive N Style Franchisor SPV LLC ("DNS"), Merlin Franchisor SPV LLC ("Merlin"), Econo Lube Franchisor SPV LLC ("Econo Lube"), 1-800-Radiator Franchisor SPV LLC ("1-800-Radiator"), CARSTAR Franchisor SPV LLC ("CARSTAR"), Take 5 Franchisor SPV LLC ("Take 5"), ABRA Franchisor SPV LLC ("ABRA") and FUSA Franchisor SPV LLC ("FUSA"). In April 2015, Driven Holdings and its franchised brands at the time (Meineke, Maaco, DNS, Merlin and Econo Lube) became Affiliated Programs through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, ABRA and FUSA brands became Affiliated Programs. The principal business address of Meineke, Maaco, DNS, Econo Lube, Merlin, CARSTAR, Take 5, ABRA and FUSA is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. 1-800-Radiator's principal business address is 4401 Park Road, Benicia, California 94510. All 10 franchisors have not offered franchises in any other line of business.

Meineke franchises automotive centers which offer to the general public automotive repair and maintenance services that it authorizes periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune ups and related services, transmission fluid changes and batteries. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke's affiliate has owned and operated Meineke centers on and off since March 1991. As of December 31, 2022, there were 703 Meineke centers, 22 Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating in the United States.

Maaco and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 31, 2022, there were 397 franchised Maaco centers and no company-owned Maaco centers in the United States.

DNS is the franchisor of 3 franchise systems: Drive N Style[®] franchises, AutoQual[®] franchises and Aero Colours[®] franchises. DNS and its predecessors have offered Drive N Style franchises since October 2006. A Drive N Style business offers both interior and exterior reconditioning and maintenance services, exterior paint repair and refinishing services and interior and exterior protection services for consumer vehicles. As of December 31, 2022, there were 30 Drive N Style franchises and no company-owned Drive N Style businesses in the United States. DNS and its predecessors have offered AutoQual franchises since February 2008. AutoQual businesses offer various services relating to the interior of automotive vehicles, including, among other things, cleaning, deodorizing, dyeing, and masking of carpets, seats, and trim. As of December 31, 2022, there were 5 AutoQual franchises and no company-owned AutoQual businesses in the United States. DNS and its predecessors have offered Aero Colours franchises since 1998. Aero Colours businesses offer various services related to the exterior of automotive vehicles, including paint touch-up, repair and refinishing that is performed primarily on cars at automobile dealerships or at the customer's home or place of business. As of December

31, 2022, there was 1 Aero Colours franchise and no company-owned Aero Colours businesses in the United States.

Merlin franchises shops which provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name “Merlin Muffler and Brake Shops,” and have offered franchises under the name “Merlin Shops” since February 2006. As of December 31, 2022, there were 24 Merlin franchises and no company-owned Merlin shops located in the United States.

Econo Lube offers franchises that provide oil change services and other automotive services including brakes, but not including exhaust systems. Econo Lube’s predecessor began offering franchises in 1980 under the name “Muffler Crafters” and began offering franchises under the name “Econo Lube N’ Tune” in 1985. As of December 31, 2022, there were 10 Econo Lube N’ Tune franchises and 12 Econo Lube N’ Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N’ Tune locations in the United States.

1-800-Radiator franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 31, 2022, there were 196 1-800-Radiator franchises in operation in the United States. 1-800-Radiator’s affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 31, 2022, owned and operated 1 1-800-Radiator warehouse in the United States.

CARSTAR offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR’s business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 31, 2022, there were 445 franchised CARSTAR facilities and no company-owned facilities operating in the United States.

Take 5 franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of December 31, 2022, there were 228 franchised Take 5 outlets operating in the United States. An affiliate of Take 5 currently operates approximately 575 Take 5 outlets and outlets that operate under other brands, many of which may be converted to the Take 5 brand and operating platform in the future.

ABRA franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. ABRA and its predecessor have offered ABRA franchises since 1987. As of December 31, 2022, there were 58 franchised ABRA repair centers and no company-owned repair centers operating in the United States.

FUSA franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from

April 1998 to June 2020. As of December 31, 2022, there were 180 franchised Fix Auto repair shops operating in the United States, 9 of which are operated by FUSA's affiliate pursuant to a franchise agreement with FUSA.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) Meineke Canada SPV LP and its predecessors have offered Meineke center franchises in Canada since August 2004; (2) Maaco Canada SPV LP and its predecessors have offered Maaco center franchises in Canada since 1983; (3) 1-800-Radiator Canada, Co. has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) Carstar Canada SPV LP and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) Take 5 Canada SPV LP and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) Driven Brands Canada Funding Corporation and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) Go Glass Franchisor SPV LP and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) Star Auto Glass Franchisor SPV LP and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012. These franchisors have not offered franchises in any other line of business.

As of December 31, 2022, there were: (i) 25 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 21 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 8 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 319 franchised CARSTAR facilities and no company-owned CARSTAR facilities in Canada; (v) 30 franchised Take 5 outlets and 7 company-owned Take 5 outlets in Canada; (vi) 38 franchised UniglassPlus businesses, 31 franchised UniglassPlus/Ziebart businesses, and no franchised Uniglass Express businesses in Canada, and 4 company-owned UniglassPlus businesses and 1 company-owned UniglassPlus/Ziebart business in Canada; (vii) 7 franchised VitroPlus businesses, 62 franchised VitroPlus/Ziebart businesses, and 4 franchised Vitro Express businesses in Canada, and 4 company-owned VitroPlus businesses and no company-owned VitroPlus/Ziebart businesses in Canada; (viii) 33 franchised Docteur du Pare Brise businesses and no company-owned Docteur du Pare Brise businesses in Canada; (ix) 10 franchised Go! Glass & Accessories businesses and 1 franchised Go! Glass business in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

ServiceMaster Systems LLC is the direct parent company to three franchisors operating in the United States: Merry Maids SPE LLC ("Merry Maids"), ServiceMaster Clean/Restore SPE LLC ("ServiceMaster") and Two Men and a Truck SPE LLC ("Two Men and a Truck"). Merry Maids and ServiceMaster became Affiliated Programs through an acquisition in December 2020. Two Men and a Truck became an Affiliated Program through an acquisition on August 3, 2021. The three franchisors have a principal place of business at One Glenlake Parkway, Suite 1400, Atlanta, Georgia 30328 and have never offered franchises in any other line of business.

Merry Maids franchises residential house cleaning businesses under the Merry Maids® mark. Merry Maids' predecessor began business and started offering franchises in 1980. As of December 31, 2022, Merry Maids had 967 franchises in the United States.

ServiceMaster franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. ServiceMaster's predecessor began offering

franchises in 1952. As of December 31, 2022, ServiceMaster had operating in the United States 671 ServiceMaster Clean franchises and 2,157 ServiceMaster Restore franchises operating in the United States.

Two Men and a Truck franchises (i) businesses that provide moving services and related products and services, including packing, unpacking and the sale of boxes and packing materials under the Two Men and a Truck[®] mark and (ii) businesses that provide junk removal services under the Two Men and a Junk Truck[™] mark. Two Men and a Truck's predecessor began offering moving franchises in February 1989. Two Men and a Truck began offering Two Men and a Junk Truck franchises in 2023. As of December 31, 2022, there were 293 Two Men and a Truck franchises and three company-owned locations operating in the United States. As of December 31, 2022, there were not any Two Men and a Junk Truck franchises or company-owned locations in operation.

Affiliates of ServiceMaster Systems LLC also offer franchises for operation outside the United States. Specifically, ServiceMaster of Canada Limited offers franchises in Canada, ServiceMaster Limited offers franchises in Great Britain and Two Men and a Truck offers franchises in Canada, Ireland and the United States.

NBC Franchisor LLC ("NBC") franchises gourmet bakeries which offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes[®] mark. NBC's predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 4560 Belt Line Road, Suite 350, Addison, Texas 75001. As of December 31, 2022, there were 409 Nothing Bundt Cake franchises and 16 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

Mathnasium Center Licensing, LLC ("Mathnasium") franchises learning centers that provide math instruction using the Mathnasium[®] system of learning. Mathnasium began offering franchises in late 2003. Mathnasium became an Affiliated Program through an acquisition in November 2021. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2021, there were 948 Mathnasium franchises in the United States and its parent company operated three Mathnasium centers in the United States. Mathnasium has never offered franchises in any other line of business. Affiliates of Mathnasium Center Licensing, LLC also offer franchises for operation outside the United States. Mathnasium Center Licensing Canada, Inc. has offered franchises for Mathnasium centers in Canada since May 2014. As of December 31, 2022, there were 87 franchised Mathnasium centers in Canada. Mathnasium International Franchising, LLC has offered franchises outside the United States and Canada since May 2015. As of December 31, 2021, there were 65 franchised Mathnasium centers outside the United States and Canada. Mathnasium Center Licensing, LLC, Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC have a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056 and none of them has ever offered franchises in any other line of business.

i9 Sports, LLC ("i9") franchises businesses that operate, market, sell and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products and related services under the i9 Sports[®] mark. i9 began offering franchises in November 2003. i9 became an Affiliated Program through an acquisition in September 2021. i9 has a principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2022, there were 218 i9 Sports franchises and one company-owned location. i9 has never offered franchises in any other line of business.

SafeSplash Brands, LLC (also known as "Streamline Brands") offers franchises under the SafeSplash Swim School[®] brand and operates under the SwimLabs[®] and Swimtastic[®] brands, all of which provide "learn to swim" programs for children and adults, birthday parties, summer camps, other swimming-related activities. Streamline Brands has offered swim school franchises under the SafeSplash

Swim School brand since August 2014. Streamline Brands offered franchises under the Swimtastic brand since August 2015 through March 2023 and under the SwimLabs brand from February 2017 through March 2023. Streamline Brands became an Affiliated Program through an acquisition in June 2022 and has a principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2022, there were 110 franchised and company-owned SafeSplash Swim School outlets (included 12 outlets that are dual-branded with SwimLabs), 11 franchised and licensed SwimLabs swim schools, 11 franchised Swimtastic swim schools and one dual-branded Swimtastic and SwimLabs swim school operating in the United States. Streamline Brands has never offered franchises in any other line of business.

None of the affiliated franchisors are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so. Except as described above, we have no other parents, predecessors or affiliates that must be included in this Item.

ITEM 2 **BUSINESS EXPERIENCE**

Chief Executive Officer and Interim President: Paul Brown

Mr. Brown has been our Chief Executive Officer since February 2018 and our Interim Brand President since January 2023. He also has been Inspire Brands' and Parent's Chief Executive Officer in Atlanta, Georgia since its formation in February 2018. In addition, he has been the Chief Executive Officer of Arby's Restaurant Group, Inc. ("ARG") in Atlanta, Georgia since May 2013.

Chief Operating Officer: John Bowie

Mr. Bowie has been our Chief Operating Officer since February 2018. He also was our Parent's Interim President in Atlanta, Georgia from March 2018 to September 2018. Before that, Mr. Bowie held several positions with ARG in Atlanta, Georgia, including Chief Operating Officer from March 2015 to February 2018.

Chief Growth Officer of Inspire Brands: Christian Charnaux

Mr. Charnaux has been the Chief Growth Officer of Inspire Brands since April 2018. He also has been Inspire Brands' Chief Growth Officer in Atlanta, Georgia since April 2018. He previously was Senior Vice President, Corporate Finance of Hilton Worldwide Holdings, Inc. in McClean, Virginia from July 2009 to March 2018.

Chief Development Officer: Don Crocker

Mr. Crocker has been our Chief Development Officer since March 2019. He also has been Inspire Brands' Chief Development Officer in Atlanta, Georgia since March 2019. He previously was Inspire Brands' Senior Vice President, Real Estate in Atlanta, Georgia from August 2018 to March 2019. Before that, he was the Senior Director Restaurant Development and Supply Chain for Chick-fil-A, Inc. in Atlanta, Georgia from December 1997 to July 2018.

Chief Supply Officer of Parent: Christopher Held

Mr. Held has been our Parent's and Inspire Brands' Chief Supply Officer in Atlanta, Georgia since June 2019. He has also been Inspire Brands' Chief Supply Officer in Atlanta, Georgia since June 2019. He previously was an independent consultant in Atlanta, Georgia from June 2018 to May 2019. Before that, he was Senior Vice President, KFC Supply Chain, Restaurant Supply Chain Solutions (A Yum! Brands Co-Op) in Louisville, Kentucky from July 2015 to June 2018.

Chief Marketing Officer: Tristan Meline

Mr. Meline has been our Chief Marketing Officer since January 2023. He previously was the Head of Marketing and Communications, Biofreeze of Reckitt in Parsippany, New Jersey from July 2021 to September 2021. Before that, he was the Senior Director, Marketing and Director of Innovation of Performance Health in Warrenville, Illinois from June 2018 to July 2021. He was previously the Marketing Director of MillerCoors in Chicago, Illinois from July 2017 to June 2018.

Chief Financial Officer and Director: Katherine Jaspon

Ms. Jaspon has our Chief Financial Officer and Director since July 2021. She also has been Inspire Brands' Chief Financial Officer in Atlanta, Georgia since July 2021 and the Chief Financial Officer of DD and BR in Canton, Massachusetts and Atlanta, Georgia since April 2017.

Chief Information Officer: Raghu Sagi

Mr. Sagi has been our Chief Information Officer since April 2019. He has also been our Parent's and Inspire Brands' Chief Information Officer in Atlanta, Georgia since April 2019. He previously held several positions at Sephora in San Francisco, California, including Chief Information Officer from February 2017 to April 2019 and Chief Engineering Officer from February 2017 to April 2019.

Chief Administrative Officer, General Counsel and Secretary, and Director: Nils Okeson

Mr. Okeson has been our Chief Administrative Officer, General Counsel and Secretary, and one of our Directors, since February 2018. He also has been Inspire Brands' Chief Administrative Officer, General Counsel and Secretary in Atlanta, Georgia since its formation in February 2018. In addition, he has been the Chief Administrative Officer, General Counsel and Secretary of ARG in Atlanta, Georgia since January 2013.

Senior Vice President of Finance: Juan Jose Joachin

Mr. Joachin has been our Senior Vice President of Finance since May 2022. He also has been Inspire Brands' Senior Vice President of Finance in Atlanta, Georgia since May 2022. He previously served as Senior Vice President of Finance for Domino's Pizza from December 2018 to May 2022 in Ann Arbor, Michigan. Before that, he served as Vice President Finance Global Operations for Dawn Food Products from January 2015 to November 2018 in Jackson, Michigan.

Senior Vice President, Franchise Development of Inspire Brands: Jason Maceda

Mr. Maceda has been Inspire Brands' Senior Vice President, Franchise Development since September 2022 in Atlanta, Georgia. He previously held several positions with BR in Atlanta, Georgia, including President, Baskin-Robbins from December 2020 to September 2022, Senior Vice President, Baskin-Robbins U.S. and Canada from June 2017 to December 2020, and Vice President U.S. Financial Planning and Field Treasury from September 2011 to June 2017.

Senior Vice President of Franchise Finance of Inspire Brands: Dennis McCarthy

Mr. McCarthy has been Inspire Brands' Senior Vice President of Franchise Finance since May 2022 in Atlanta, Georgia. He previously served as Inspire Brands' Vice President Finance – Beverage and Snacking from December 2020 to April 2022 in Atlanta, Georgia. Before that, he held various positions with Dunkin Brands, Inc., including Vice President of Corporate FP&A and Brand Finance from July 2018 to December

2020 and Vice President – Corporate FP&A and Treasury from March 2017 to July 2018, each in Canton, Massachusetts.

Vice President, Restaurant Portfolio Management: William Duffy

Mr. Duffy has been our Vice President, Restaurant Portfolio Management since September 2018. He also has been Inspire Brands' Vice President, Restaurant Portfolio Management in Atlanta, Georgia since its formation in February 2018. He previously was Vice President, Mergers and Acquisitions of ARG in Atlanta, Georgia from July 2005 to July 2015.

Vice President, Training of Parent: Rachel Richal

Ms. Richal has been our Parent's Vice President, Training since February 2022. She previously held several positions with our Parent in Atlanta, Georgia, including Senior Director, Learning and Team Member Activation from December 2021 to February 2022 and Director, Learning and Team Member Activation from June 2019 to December 2021. She was previously the Director, Training for TooJay's Deli, Bakery, and Restaurant in West Palm Beach, FL from October 2013 to May 2019.

Vice President, Franchise Counsel: Lisa Storey

Ms. Storey has served as our Vice President, Franchise Counsel since March 2020. She also has been Inspire Brands' Vice President, Franchise Counsel, in Atlanta, Georgia, since March 2020. She previously was our and Inspire Brands' Vice President, Franchise, HR & Litigation Counsel from February 2018 to February 2020. Before that, she held various positions at ARG in Atlanta, Georgia, including Vice President, Franchise, HR & Litigation Counsel from March 2016 to February 2018.

Vice President, Franchise Operations: Donald Semien

Mr. Semien has been our Vice President, Franchise Operations in Houston, Texas since June 2022. He previously held several positions with our Parent in Houston, Texas and Vegas, Nevada, including Division Vice President of Operations, Central Region from September 2019 to June 2022 and Regional Vice President of Operations from April 2017 to September 2019.

Senior Director, Strategy and New Business Development – Non-Traditional of Inspire Brands: Theresa Rivello

Ms. Rivello has been Inspire Brands' Senior Director, Strategy and New Business Development – Non-Traditional in Atlanta, Georgia since January 2023. She previously was Inspire Brands' Director, Strategy and New Business Development – Non-Traditional in Atlanta, Georgia from September 2020 to January 2023. Before that, she was the Director of Retail Strategy and Brand Partnerships for Aramark in Philadelphia, Pennsylvania from February 2017 to September 2020.

ITEM 3
LITIGATION

Pending Litigation

The following actions are pending against us, a predecessor, a parent or affiliate that guarantee's our performance, an affiliate who offers franchises under the Trademarks, or a person identified in Item 2:

Divane Pittman v. Buffalo Wild Wings International, Inc. and Inspire Brands, Inc., (United States District Court for the District of Maryland, Case No. 8:22-cv-02173-GJH, filed July 12, 2022). On July 12, 2022, a consumer, Divane Pittman ("Pittman"), filed a class action complaint in Maryland state court

against us and Inspire Brands alleging we engaged in deceptive and unfair trade practices and breached our contract with Pittman by allegedly failing to disclose in advance of takeout purchases that we charge a service fee for all takeout orders. Pittman seeks, on behalf of herself and a putative class of Maryland and nationwide consumers, unspecified monetary and punitive damages, restitution, injunctive, and declaratory relief, for alleged violations of the Maryland Consumer Protection Act and Breach of Contract. On August 26, 2022, we removed the action to federal court. On January 31, 2023, we and Inspire Brands filed an answer. We and Inspire Brands deny any liability in this matter and intend to defend ourselves vigorously.

Halim v. Buffalo Wild Wings, Inc. and Inspire Brands, Inc. (United States District Court for the Northern District of Illinois, Case No. 1:23-cv-01495, filed March 10, 2023). The plaintiff in this case, a consumer who bought boneless wings from a Buffalo Wild Wings sports bar in Illinois, alleges that our Parent/guarantor and Inspire Brands engaged in deceptive advertising by marketing “boneless wings” that are made of chicken but are not wings. The complaint seeks class action status and brings claims for violation of the Illinois Consumer Fraud and Deceptive Practices Act, breach of warranty, fraud and unjust enrichment. The plaintiff seeks a declaratory judgment, unspecified damages (including punitive damages) and injunctive relief. The Court dismissed the complaint without prejudice on March 13, 2023, but the plaintiff has announced his plans to refile the case. If he does, our Parent and Inspire Brands will deny all liability in this matter and will vigorously defend the claims.

Concluded Litigation:

The following actions against us, a predecessor, a parent or affiliate that guarantee’s our performance, an affiliate who offers franchises under the Trademarks, or a person identified in Item 2 have concluded:

Michelle Wheeldon, Lauran Hopper, and Tamara Wilson v. Buffalo Wild Wings, Inc., (United States District Court for the District of Arizona, Case No. 2:21-cv-01947-DLR, filed November 16, 2021). On November 16, 2021, a consumer, Michelle Wheeldon (“Wheeldon”), filed a class action complaint against Buffalo Wild Wings, Inc. alleging it engaged in deceptive and untruthful promises to provide a flat, low-price delivery fee on food deliveries ordered through its app and website. Wheeldon seeks, on behalf of herself and the putative class, monetary damages, restitution, injunctive, and declaratory relief for alleged violations of the Arizona Consumer Fraud Act, Breach of Contract, and Unjust Enrichment. On February 9, 2022, Wheeldon filed a First Amended Class Action Complaint adding two additional plaintiffs, Lauran Hopper and Tamara Wilson. On March 30, 2022, the parties entered into a Confidential Settlement Agreement and Mutual Release whereby Buffalo Wild Wings, Inc. agreed to pay plaintiffs a total sum of \$47,500 in exchange for a release of plaintiffs’ claims and a dismissal of the action.

Affiliate Litigation

The following affiliates who offer franchises resolved actions brought against them with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

The People of the State of California v. Arby’s Restaurant Group, Inc. (California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019). On March 11, 2019, our affiliate ARG entered into a settlement agreement with the states of Massachusetts, California, Illinois, Iowa, Maryland, Minnesota, New Jersey, New York, North Carolina, Oregon and Pennsylvania. The Attorneys General in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other’s employees. The states alleged that the use of these provisions violated the states’ antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denies these conclusions but decided to enter into the settlement agreement to avoid litigation with the states. Under the settlement agreement ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or

to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable states instituted actions in their courts to enforce the settlement agreement through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

The People of the State of California v. Dunkin' Brands, Inc., (California Superior Court, Los Angeles County, Case No. E25636618, filed on March 19, 2019.) On March 14, 2019, our affiliate Dunkin Brands, Inc. entered into a settlement agreement with the Attorneys General of 13 states and jurisdictions concerning the inclusion of “no-poaching” provisions in Dunkin’ restaurant franchise agreements. The settling states and jurisdictions included California, Illinois, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, and the District of Columbia. A small number of franchise agreements in the Dunkin’ system prohibit Dunkin’ franchisees from hiring the employees of other Dunkin’ franchisees and/or DD’s employees. A larger number of franchise agreements in the Dunkin’ system contain a no-poaching provision that prevents Dunkin’ franchisees and DD from hiring each other’s employees. Under the terms of the settlement, DD agreed not to enforce either version of the no-poaching provision or assist Dunkin’s franchisees in enforcing that provision. In addition, DD agreed to seek the amendment of 128 franchise agreements that contain a no-poaching provision that bars a franchisee from hiring the employees of another Dunkin’ franchisee. The effect of the amendment would be to remove the no-poaching provision. DD expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law and, furthermore, that the settlement agreement should not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of DD. The Attorney General of the State of California filed the above-reference lawsuit in order to place the settlement agreement in the public record and the action was closed after the court approved the parties’ stipulation of judgment.

New York v. Dunkin' Brands, Inc. (N.Y. Supreme Court for New York County, Case No. 451787/2019, filed September 26, 2019). In this matter, the N.Y. Attorney General (“NYAG”) filed a lawsuit against our affiliate, Dunkin Brands, Inc., related to credential-stuffing cyberattacks during 2015 and 2018. The NYAG alleged that the cyber attackers used individuals’ credentials obtained from elsewhere on the Internet to gain access to certain information for DD Perks customers and others who had registered a Dunkin’ gift card. The NYAG further alleged that DD failed to adequately notify customers and to adequately investigate and disclose the security breaches, which the NYAG alleged violated the New York laws concerning data privacy as well as unfair trade practices. On September 21, 2020, without admitting or denying the NYAG’s allegations, DD and the NYAG entered into a consent agreement to resolve the State’s complaint. Under consent order, DD agreed to pay \$650,000 in penalties and costs, to issue certain notices and other types of communications to New York customers, and to maintain a comprehensive information security program through September 2026, including precautions and response measures for credential-stuffing attacks.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4 **BANKRUPTCY**

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

ITEM 5 **INITIAL FEES**

Franchise Agreement.

You pay us an initial franchise fee when you sign the Franchise Agreement. If you or your affiliate has signed an Area Development Agreement that covers this Franchise Agreement, then the initial franchise fee payable under the Franchise Agreement is \$25,000, we will apply \$12,500 of the development fee towards the payment of that initial franchise fee, and you must pay the remaining \$12,500 of that initial franchise fee to us upon signing that Franchise Agreement. If you previously signed an Area Development Agreement with different fees or incentives for the Franchise Agreements that the Area Development Agreement covers, then those fees and incentives will control.

If you sign a Franchise Agreement that is not covered by an Area Development Agreement, you must pay us a \$25,000 initial franchise fee when you sign the Franchise Agreement. If you sign a Franchise Agreement to develop a Sports Bar at a Non-Traditional Location, then you must pay us a pro-rated amount of \$12,500 initial franchise fee depending on the pro-rated term granted to you under the Franchise Agreement when you sign the Franchise Agreement and Non-Traditional Rider. We will use the initial franchise fees in part to cover some of our costs associated with your opening a Buffalo Wild Wings Sports Bar, including opening assistance, legal fees and general overhead. The initial franchise fees are uniform and not refundable under any circumstance.

Additionally, you must pay us our then-current administrative fee and reimburse us for the travel expenses and prorated salaries for providing you on-site training in connection with the opening of your Sports Bar. We will send you an invoice within 30 days after the Sports Bar's opening date, and you must pay the invoice within 10 days after receiving it. The current administrative fee is \$5,000, and we anticipate your nonrefundable payment for the opening team's expenses will range from \$60,000 to \$75,000. However, if we determine (in our sole judgement, based on operations at your (or your affiliate's) other Buffalo Wild Wings Sports Bars) that you are capable of training your own staff before your Sports Bar opens, then you need not pay us the administrative fee or reimburse us for any expenses related to providing any on-site training, we will not provide on-site training in connection with the opening of your Sports Bar, and you must provide opening training to your Sports Bar staff according to our requirements.

Area Development Agreement

If you sign an Area Development Agreement, you must develop a minimum of one Buffalo Wild Wings Sports Bar within the Development Territory. The development fee is \$12,500 multiplied by the number of Buffalo Wild Wings Sports Bars you agree to develop on the Development Schedule. The development fee is consideration for our signing the Area Development Agreement and not consideration for any Franchise Agreement, is based on a uniform calculation and is not refundable under any circumstances. However, we will credit \$12,500 of the development fee towards the initial franchise fee payable under Franchise Agreements that you and your Developer Subsidiaries sign for Buffalo Wild Wings Sports Bars operating in the Development Territory.

Standard Adopter Incentive Program

If you sign a Franchise Agreement on or before March 31, 2024 and open the Sports Bar on or before the required opening date in the Franchise Agreement, then you are eligible for our "Standard Adopter Incentive" program. In addition, if you sign an Area Development Agreement on or before March 31, 2024 for the right to develop more than one Buffalo Wild Wings Sports Bars, then you are eligible for our Standard Adopter Incentive program for each Sports Bar that you open on or before the deadline in the development schedule but not later than December 31, 2026. Under the Standard Adopter Incentive program for single Sports Bar development, you will pay the full initial franchise fee when you sign the

Franchise Agreement. Under the Standard Adopter Incentive program for multiple Sports Bar development, you will pay the full development fee upon signing the Area Development Agreement and when you or your Developer Subsidiary signs each Franchise Agreement, we will apply \$12,500 of the development fee towards the initial franchise fee, and you or your Developer Subsidiary must pay us the remaining initial franchise fee. If you open the Sports Bar in compliance with the Franchise Agreement, and if applicable the Development Agreement, submit development costs to us within 120 days of opening the Sports Bar, and build the Sports Bar in the design, to the specifications, and at the location we approve, then we will credit the initial franchise fee you paid, along with the portion of the development fee that we credited towards that initial franchise fee, towards the Royalty Fees owed under the Franchise Agreement and, as described in Item 6, you also will pay reduced Royalties based on when your Sports Bar opens. If you fail to satisfy these conditions, then the Standard Adopter Incentive, including the Royalty Fee credit and reduced Royalty Fees described below, will not apply to the Sports Bar. The Standard Adopter Incentive program does not apply to franchisees signing new Franchise Agreements to renew their expiring franchises or as part of a transfer or acquisition of an existing Buffalo Wild Wings Sports Bar.

In the future, we may modify or eliminate any of our incentive programs.

ITEM 6
OTHER FEES

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Royalty Fee ⁽³⁾	5% of Gross Sales ⁽²⁾ , subject to applicable incentive program ⁽³⁾	Paid by electronic funds transfer every Friday for the preceding Reporting Period	See Note 3. The “Reporting Period” means the period from Monday to Sunday, although we may periodically change the Reporting Period.
Advertising Fee ⁽⁴⁾	3.25% of Gross Sales ⁽²⁾ and 1.65% of Gross Sales ⁽²⁾ for Non-Traditional Locations	Paid by electronic funds transfer every Friday for the preceding Reporting Period	We will contribute at the same rate for each similarly situated company- or affiliate-owned Buffalo Wild Wings Sports Bars in the same local marketing area (except Non-Traditional Location Sports Bars).
Audit costs	Cost of audit	Immediately upon receipt of bill	You pay the cost of the initial audit as well as any subsequent audits deemed necessary for 3 years if the audit shows an understatement of your Gross Sales, Royalty Fees or Advertising Fees in any month by an individual or combined total of 1.25% or more.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Learning management system fee	Currently \$60.99 plus tax per Sports Bar per year, but may change depending on number of Buffalo Wild Wings Sports Bars participating	Annually	You must participate in the Cornerstone Learning Management System to access certain training materials, knowledge checks and certification exams. We forward the payment to Cornerstone, our vendor for the system.
Contactless payment fee	The amount we specify, currently up to \$35 per month	Monthly	Covers optional contactless payment technology and services.
Transfer fee ⁽⁵⁾	\$12,500 (but see note 5)	Upon application for consent to transfer	See Note 5.
Co-op or LMG contribution	At least ½% of Gross Sales ⁽²⁾	Monthly	See Note 6.
Co-op or LMG accounting fee ⁽⁶⁾	\$1,200 to \$6,000 per year for the entire co-op or LMG	Annually	See Note 6.
Renewal fee	\$20,000, and then-current initial franchise fee for Non-Traditional Locations	Upon signing renewal franchise agreement	
Interest and late fee	18% per annum or the maximum rate allowed by law, whichever is less, plus \$150 for each delinquent report or payment	Automatically upon next electronic funds transfer	
Supplier evaluation costs	Actual costs of the inspection and evaluation	As incurred	Due if you request our approval of a new product, service or supplier.
Commercial insurance costs	\$30,000-\$120,000 for annual premiums, plus our costs and fees	When premiums are due	Only payable to us if you fail to maintain insurance and we (at our option) elect to obtain coverage for you.
Indemnification	Will vary with the circumstances	On demand	You must reimburse us for claims and liabilities relating to your Sports Bar's development or operation or breach of the Franchise Agreement.
Relocation costs	Our reasonable costs relating to your relocation	As incurred	Due only if you relocate the Sports Bar.
Attorneys' fees	Will vary with the circumstances	As incurred	You must reimburse us for our reasonable attorneys' fees and costs if we prevail in a dispute.

Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Deidentification costs	Will vary with the circumstances	As incurred	If you fail to deidentify the Sports Bar when the Franchise Agreement terminates or expires, and we choose to do so, you must reimburse our costs.
Liquidated Damages under Area Development Agreement	Balance of the initial franchise fee plus \$50,000 for each undeveloped Buffalo Wild Wings Sports Bar	Payable within 30 days after the termination of the Development Agreement	Payable if the Area Development Agreement terminates before you develop all required Buffalo Wild Wings Sports Bars.
Menu database support ⁽⁷⁾	\$420 to \$600 annually (per Sports Bar)	Immediately upon receipt of bill	See Note 7.

Notes:

- (1) Unless otherwise specified, either we or our affiliates impose and collect all the fees in this table. You pay them to our affiliates or us. The fees are not refundable, except as for the transfer fee deposit as described in note (5). Except when otherwise specified, all fees are uniform. You must sign an electronic transfer of funds authorization that we periodically specify to authorize and direct your bank or financial institution to transfer electronically, on a weekly basis, directly to our or our affiliate's account and to charge to your account all amounts due to us or our affiliates. You must maintain a balance in your account sufficient to allow us and our affiliates to collect the amounts owed when due. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds. We may periodically change the mechanism for your payments under the Franchise Agreement.
- (2) Gross Sales includes the total revenues and receipts from the sale of all products, services and merchandise sold in or in relation to your Sports Bar whether under any of the Trademarks or otherwise, including any cover charges or fees, fees or charges for any vending, gaming or similar activities or other equipment in your Sports Bar or on its premises, fees or charges for any catering and other off-site activities and events, and all license and use fees. However, Gross Sales excludes sales taxes, promotions, voids and discounts.
- (3) Unless you qualify for the Standard Adopter Incentive, the Royalty Fee is 5% of Gross Sales for the first half of the Franchise Agreement term. For the second half of the Franchise Agreement term, the Royalty Fee is the greater of 5% of Gross Sales or the Royalty Fee we are then charging under our form of franchise agreement we are using at any time during the second half of the Franchise Agreement term (or, if we are not using any form of franchise agreement on that date, the Royalty Fee we charge under our latest form of franchise agreement). However, we may not increase the Royalty Fee by more than ½% at any time during the Franchise Agreement term.

If you qualify for the Standard Adopter Incentive, then we will reduce your Royalty Fee for an introductory period as follows:

Months After Opening	Sports Bar that opens in 2023 or 2024	Sports Bar that opens in 2025 or 2026
From Opening to Month 12	1%	2%
Month 13 to Month 24	2%	3%
Month 25 to Month 36	4%	4%
Month 37 and remainder of the term	5%	5%

In addition, if you qualify for the Standard Adopter Incentive and open your Sports Bar at least three months before the required opening date, then we will reduce your Royalty Fee even further as follows:

Months After Opening	Sports Bar that opens in 2024	Sports Bar that opens in 2025 or 2026
From Opening to Month 6	0%	0%
Month 7 to Month 18	1%	2%
Month 19 to Month 30	2%	3%
Month 31 to Month 42	4%	4%
Month 43 and remainder of the term	5%	5%

The reduced royalty rates under the Standard Adopter Incentive will only apply if (1) you sign an Area Development Agreement on or before March 31, 2024, (2) the applicable Sports Bar opens in compliance with the Development Schedule under the Area Development Agreement, (3) you build the Sports Bar in the design, to the specifications, and at the location approved we approve, and (4) you provide us with a report, in the format and containing the information that we reasonably specify, identifying the amounts that you spent in various categories relating to the development and opening of the Sports Bar within 120 days after the Sports Bar first opens for business.

- (4) We collect the Advertising Fees and deposit them into an advertising Fund (defined in Item 11). We may increase or decrease the Advertising Fee upon 60 days written notice to you, but we may not increase the Advertising Fee by more than ½% per year and the Advertising Fee will not exceed 4.15% for the initial term of your Franchise Agreement.
- (5) You must submit to us a \$5,000 deposit on the transfer fee when you submit an application for our consent to transfer. We may increase the deposit above \$5,000 and up to \$12,500 if we believe our costs and expenses will exceed \$5,000. We will refund the \$5,000 (or any increased deposit amount) less our costs and expenses (including our time) if the transfer is not completed. If the transfer proceeds, you must pay us the \$7,500 balance (or any adjusted balance amount) on the transfer fee before the transfer's closing and the entire \$12,500 transfer fee becomes nonrefundable at that time. If the transfer is part of a simultaneous, multiple sports bar transfer, then the transfer fee is \$12,500 for the first sports bar and \$2,500 for each additional sports bar that the transfer covers. If, however, our costs and expenses in reviewing and processing the transfer, including attorneys' fees, exceed the applicable transfer fee, then in addition to the transfer fee you must reimburse us for those additional costs and expenses (including our time).
- (6) If established, you must contribute a minimum of ½% of your Sports Bar's Gross Sales to the local advertising cooperative or local marketing group (LMG). If, however, the cooperative or local marketing group votes to spend a percentage greater than ½% of Gross Sales per location, you must contribute that amount. Each Buffalo Wild Wings Sports Bar, including those that we, our parent company or our affiliates operate (but not including any Sports Bars located at Non-Traditional Locations), within a designated local advertising area is a member of the cooperative or local marketing group and each sports bar has one vote on all matters requiring a vote. We may (at our option) administer the cooperatives' and local marketing groups' funds and require payment from its members via electronic funds transfer to spend on behalf of the cooperative or local marketing group and its members. The contribution amount must be on a percentage of Gross Sales basis and per Buffalo Wild Wings Sports Bar, and must be at least ½% of Gross Sales. We do not have controlling voting power in any cooperative or local marketing group.

Our affiliate imposes the co-op/LMG accounting fee if your Sports Bar is part of an advertising cooperative or local marketing group and our affiliate provides the accounting services for the cooperative or LMG. Cooperatives must elect either a private third-party CPA firm or our affiliate's Corporate Accounting group to provide accounting services for the cooperative. If you participate in an advertising cooperative comprised solely of franchised Buffalo Wild Wings Sports Bars and do not use our designated accounting firm to perform the cooperative's accounting services, the cooperative must pay our affiliate \$150 per month, plus \$15 per month from each franchisee, to cover costs for weekly money draws from each franchisee to the cooperative's bank account, along with other administrative expenses and \$475 per cooperative for annual tax preparation.

- (7) You must use our affiliate to provide menu database support services for the Sports Bar. We or an affiliate also might be the sole approved supplier of other technology products and services in the future, in which case you must purchase the products and services we designated only from us or our affiliate at our or its then current pricing. We may provide support services through a combination of our (or our affiliates') employees and/or through contracted resources.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount (New Free-Standing and Non-Traditional Location Sports Bars) (1)	Amount (Non-Free Standing and Conversion of Existing Free-Standing Sports Bars) (1)	Method of Payment	When Due	To Whom Payment is to be Made
Fees related to site approval (2)	\$1,200 to \$53,800	\$1,200 to \$53,800	As incurred	As incurred	Third parties
Initial franchise fee (3)	\$12,500 to \$25,000	\$25,000	Lump sum	Upon signing Franchise Agreement	Us
Reimbursement of expenses and administrative fee for on-site training (3)	\$0 to \$80,000	\$0 to \$80,000	As incurred	Within 10 days after receiving invoice	Us
Total Site Approval, Franchise and Training Fees	\$13,700 to \$108,800	\$26,200 to \$108,800			
Architecture fees (based upon utilization of national firm)	\$100,000 to \$160,000	\$90,000 to \$135,000	As incurred	As incurred	Architect
Construction and leasehold improvements (4)	\$1,430,000 to \$2,100,000	\$1,200,000-\$1,800,000	As arranged	As arranged	Approved contractors
Furniture, fixtures, equipment and other fixed assets (5)	\$775,000 to \$925,000	\$570,000 to \$850,000	As arranged	As arranged	Approved suppliers
Audio/Visual equipment (6)	\$275,000 to \$425,000	\$275,000 to \$425,000	As arranged	As arranged	Contracted suppliers
Computer POS system/kitchen display unit	\$66,400 to \$75,000	\$66,400 to \$75,000	As incurred	As incurred	Approved suppliers
Office equipment and supplies	\$6,000 to \$13,000	\$6,000 to \$13,000	As incurred	As incurred	Suppliers

Type of Expenditure	Amount (New Free-Standing and Non-Traditional Location Sports Bars) (1)	Amount (Non-Free Standing and Conversion of Existing Free-Standing Sports Bars) (1)	Method of Payment	When Due	To Whom Payment is to be Made
Sports memorabilia	\$12,500 to \$26,500	\$12,500 to \$26,500	As incurred	As incurred	Approved supplier
Signage and graphics (excluding pylon or monument signage)	\$43,000 to \$100,000	\$43,000 to \$100,000	As incurred	As incurred	Approved suppliers
Total Building/Construction/ Equipment	\$2,707,900 to \$3,824,500	\$2,262,900 to \$3,424,500			
Training expenses (7)	\$8,000 to \$12,000	\$8,000 to \$12,000	As incurred	As incurred	Service providers
Initial inventory (8)	\$15,000 to \$19,000	\$15,000 to \$19,000	Lump sum	Upon delivery of inventory	Approved suppliers
Insurance (9)	\$14,400 to \$48,000	\$14,400 to \$48,000	As arranged	As arranged	Insurance company
Additional funds – 3 months (10)	\$100,000 to \$150,000	\$100,000 to \$150,000	As incurred	As incurred during first 3 months	Employees, suppliers and other third parties
Rent (11)	\$7,500 to \$40,000	\$7,500 to \$40,000	As arranged	Installments each month	Lessor
Lease and utility security deposits (12)	\$10,000 to \$20,000	\$10,000 to \$20,000	Lump sum	Before signing lease or starting service	Lessor and utility companies
Grand opening advertising (13)	\$12,500	\$12,500	As incurred	As incurred	Media, printers, advisors and other suppliers
Liquor license (14)	\$5,000 to \$500,000	\$5,000 to \$500,000	As arranged	As arranged	State/local authorities or third party
Professional fees	\$20,000 to \$70,000	\$20,000 to \$70,000	As arranged	As arranged	Your attorneys, financial advisors, accountants and other professionals
Total Pre-Opening / Operating Deposits	\$192,400 to \$871,500	\$192,400 to \$871,500			
Total Estimated Initial Investment (15)	\$2,914,000 to \$4,804,800	\$2,481,500 to \$4,404,800			

Notes:

- (1) Types of Sports Bars. The second column in this table lists the ranges of the estimated initial investment for newly-constructed, free-standing Buffalo Wild Wings Sports Bars and Buffalo Wild Wings Sports Bars located in Non-Traditional Locations. While Sports Bars located at certain Non-Traditional Locations, such as airports and military bases, might have less square footage, they often result in higher build-out costs due to conditions unique to these venues, such as union labor and security clearances. The third column in the table lists the ranges of the estimated initial investment for newly-constructed Buffalo Wild Wings Sports Bars that are not in free-standing locations (such as endcap locations) and for the conversion of existing free-standing buildings to a Buffalo Wild

Wings Sports Bar. Free-standing Buffalo Wild Wings Sports Bars typically range from 3,500 to 6,500 square feet with a seating capacity of approximately 155 to 285 people.

- (2) Site approval fees. Before accepting a site you propose, you must submit site and market information in the form and format that we specify. We also may require you to retain the services of a company specialized in assisting restaurant operators during the construction process to assist you in submitting, processing, monitoring and obtaining in a timely manner all necessary construction documents, licenses and permits and to advise you throughout the construction of your Sports Bar if we determine, in our good faith judgment, that you do not have sufficient experience in the development process to manage this function. The costs associated with these services typically vary depending on the region and the amount of work and coordination needed to secure the appropriate permits and licenses.
- (3) Initial franchise fee and on-site training administrative fee and expenses. We describe the initial franchise fee, the administrative fee and the expense reimbursement obligations in connection with providing on-site training in connection with the opening of your Sports Bar in Item 5. The low end of the range assumes that you will provide the opening training yourself using existing personnel.
- (4) Construction and leasehold improvements. These figures include the costs of construction, remodeling, leasehold improvements and decorating. These costs depend upon the size and condition of the premises, the nature and extent of leasehold improvements required, the local cost of contract work and the location of your Sports Bar. In our experience, construction costs continue to rise. Your costs may vary depending on a variety of factors, including economic factors affecting the construction industry. For free-standing locations, the range includes an estimate for the cost of building the Sports Bar's structure, but does not including the cost of purchasing land, site work and demolition work. If you choose to build and own the Sports Bar's free-standing premises, the cost for your long-term real property investment obligations is significantly higher and will depend on many independent variables like location and size of the site, site improvement costs, union/non-union labor regions, soil and environmental conditions, entitlement fees, building and health codes and regulations and other factors. This estimate does not include land cost. Down payment requirements and initial financing or commitment expenses are negotiated individually and vary too widely to be predicted realistically.
- (5) Furniture, fixtures, equipment and other fixed assets. The Sports Bar must meet our current standards and specifications, including equipment, furniture, signs, décor, trade dress, design and layout. These figures include costs for refrigerators, freezers, ovens, tables, chairs and other equipment, furniture and fixtures. Estimated costs for the POS system and audio/visual equipment are separately noted in the table and are not included in this range.
- (6) Audio/Visual equipment. Your Sports Bar will need (at a minimum) the following audio/visual equipment: one high-definition digital distribution video system, 2 "statement" screens of at least 110" diagonal (current options are video wall-specific displays, direct-view modular LED, or a single large television), one television of at least 55" diagonal with UL-listed mounts and high-definition video cabling for every 5 seats, one television of at least 75" for every 55 seats, satellite and other video packages that we specify, 8-Ohm audio system including audio mixer/amp, one speaker for every 125 sq. ft. (dining and bar areas), 2 subwoofers, and wireless microphone capability. You will also need a dedicated A/V rack to house the A/V switching and routing components.
- (7) Training expenses. You must pay the expenses for you, your Control Person (as defined in Item 15), the Unit General Manager (defined in Item 15) and at least 2 assistant managers to attend our training program, including transportation, lodging, meals and wages. We describe our training

program in Item 11. These costs will depend, in part, on the distance you must travel and the type of accommodations you choose. The estimate provided contemplates initial training of 4 people for 7 weeks.

- (8) Initial inventory. These figures cover the costs for the initial inventory of various food products, beverages, paper products, cleaning supplies and other supplies used in the operation of the Sports Bar, as well as other merchandise or products that the Sports Bar sells. Initial inventory expenditures will vary according to anticipated sales volume and current market prices.
- (9) Insurance. You must obtain and maintain the insurance coverage that we periodically specify. The estimate covers approximately 25% of the annual premium and includes liquor liability coverage. The cost of insurance will vary based on policy limits, type of policies, any lease requirements, nature and value of physical assets, number of employees, square footage, contents of the business, geographical location and other factors bearing on risk exposure.
- (10) Additional Funds. These figures estimate the additional prepaid expenses and other additional costs and expenses that you will incur in developing and operating the Sports Bar, including Sports Bar management salaries, during the initial 3 months of operation (other than the items identified separately in the table). These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business. You might need additional working capital during the first 3 months you operate your Sports Bar and for a longer period after that. This 3-month period is not intended, and should not be interpreted, to identify a point at which your Sports Bar will break even. Your costs will depend on factors such as how closely you follow our recommended methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for the Sports Bar's products; the prevailing wage rate; competition; and the sales level reached during the initial period. When your Sports Bar opens you must have a minimum of \$100,000 in immediately accessible working capital funds to use solely to defray the costs of operating the Sports Bar for the initial months.
- (11) Rent. If you do not own suitable space or land for your Sports Bar, you must rent premises suitable for the Sports Bar's operation Bar. This estimate is for your rent the first month and does not include an estimate of monthly real estate-related expenses, such as common area maintenance charges, real estate taxes and landlord insurance. The rental expense may vary widely based on geographic location, size of the facility, local rental rates, landlord's work, tenant improvement allowance and other factors.
- (12) Lease and utility security deposits. Landlords may require a security deposit and utility companies may require that you place a deposit before installing telephone, gas, electricity and related utility services. A typical lease deposit is an amount equal to one month's rent. A typical utility security deposit is one month's expense. These deposits may be refundable if you comply with the lease and utility agreements. These estimates may be significantly higher in some jurisdictions where the local authorities may require fees in excess of \$200,000 for electrical or sewer/water connections.
- (13) Grand opening advertising. You must conduct certain advertising and public relations activities when opening your Sports Bar. You must spend \$12,500 for these opening activities during the period starting 45 days before your Sports Bar opens and ending 45 days after your Sports Bar opens. Upon our request, you must provide to us proof of these expenditures. We may (at our option) collect and administer these funds on your behalf.
- (14) Liquor license. You must obtain and maintain a liquor license and other required business licenses and permits for your Sports Bar at your expense. The cost of a liquor license can be significantly higher in a few states and municipalities where the number of licenses is severely restricted or

available only from an existing holder. For example, our experience suggests that you may incur up to \$1,000,000 or more to obtain a liquor license in some areas on the East coast. You should retain legal counsel specialized in obtaining and maintaining liquor licenses.

- (15) Total estimated initial investment. We have used our and our Parent's almost 40 years' experience in the business to prepare the estimate for additional funds and other estimates. You should review these figures carefully with a business advisor, your accountant and/or your attorney before deciding to acquire the franchise. The estimate does not include any finance charge, interest, or debt service obligation. You should allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing and local market conditions, which can be highly variable and can result in substantial, rapid and unpredictable increases in costs. Except for the security deposit under a real property lease and utility deposits, which typically are refundable if you comply with the lease's and utility agreement's terms, none of the payments is likely to be refundable, although this may depend on your negotiations with others. Neither we nor our affiliates offer financing 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 the lending policies of financial institutions from which you request a loan.

ESTIMATED INITIAL INVESTMENT FOR AREA DEVELOPMENT AGREEMENT. If you sign an Area Development Agreement, your initial investment for your first Buffalo Wild Wings Sports Bar is the same as disclosed in the Item 7 chart. You also will pay a one-time Development Fee as described in Item 5. This is the only additional initial investment under the Area Development Agreement. Your initial investment for your second and subsequent Buffalo Wild Wings Sports Bars likely will be higher than the estimates listed in the chart for your first Sports Bar due to inflation and other economic factors that may vary over time.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

In order to ensure a uniform image and uniform quality of products and services throughout the Buffalo Wild Wings Sports Bar network, you must maintain and comply with our quality standards, as we periodically modify them. Our standards may regulate, among other things, the equipment and other products and services you use to operate the Sports Bar, designated or approved suppliers of these items, and required or authorized products and services your Sports Bar offers. We issue and modify standards and specifications based on our, our affiliates' and our franchisees' experience in operating and franchising Buffalo Wild Wings Sports Bars. We will notify you in our manuals, on our extranet, or in other written communications of our standards and specifications and the names of some of our designated and approved suppliers. We also provide our relevant standards and specifications to approved suppliers.

Our affiliate has contracted with a technology provider to provide franchisees a technology-based learning management system, and franchisees must participate in the arrangement with that provider. Our affiliate also provides menu database support services and accounting services to local marketing groups and subleases real estate to 11 Buffalo Wild Wings Sports Bar franchisees. In addition, our affiliate provides optional contactless texting and payment services to franchisees. Otherwise, neither we nor our affiliates are approved suppliers or the only approved suppliers for any category of goods and services for Buffalo Wild Wings Sports Bars. For the fiscal year ended January 1, 2023, our affiliates received \$2,478,338.41 in revenue from providing these services and leasing real estate to franchisees, although they forwarded \$2,357,041.86 of this amount to the landlord under a prime lease. Except for this amount, neither we nor our affiliates received any revenue during our 2022 fiscal year from selling products or services to Buffalo Wild Wings Sports Bar franchisees. We or our affiliates may receive profits and commissions on other sales that we and our affiliates make directly to franchisees in the future. You will pay the then current price in effect for all purchases you make from us or an affiliate.

Although you are not required to purchase or lease real estate from us or our affiliates, you may only operate the Sports Bar from a location that we accept. We also have the right, but not the obligation, to review and to approve or disapprove any lease for the Sports Bar's premises. You and the landlord must sign the form of Lease Addendum attached to the Franchise Agreement.

You must construct and equip your Sports Bar according to our approved designs, specifications and standards. You must ensure that your building plans comply with the Americans with Disabilities Act and all other federal, state and local laws. You also must use equipment (including hardware and software for a Sports Bar point-of-sale system and audio/video equipment), signage, fixtures, furnishings, products, ingredients, supplies and advertising materials that meet our specifications and standards.

We provide you with a list of approved manufacturers, suppliers and distributors ("Approved Suppliers List") and approved products, fixtures, furniture, equipment, audio/visual equipment, signs, stationery, supplies and other items or services necessary to operate the Sports Bar ("Approved Supplies List"). The Approved Supplies List may specify the specific manufacturer of a specific product, piece of equipment, or service. As of the date of this disclosure document, you must purchase certain construction-related services, equipment (including the POS system and related services and audio/visual equipment), Sports Bar signage, smallwares, sports programming, food and beverage products, uniforms and other branded merchandise, and gift card services only from our designated suppliers and/or distributors. For some items and services, you must sign contracts with third party suppliers in the form that we or they specify, including the then-current form of agreement to participate in the gift card program. Checkmate.com, Inc. is an approved vendor we recommend for ordering platform and point-of-sale integration services and related technologies for franchised Buffalo Wild Wings Sports Bars. Inspire Brands owns an interest in this vendor, and some of our officers own interests in Inspire Brands. Otherwise, there is no approved or recommended supplier in which any of our officers owns an interest.

You must notify us in writing if you want to offer for sale at the Sports Bar any brand of product, or to use in the operation of the Sports Bar any brand of food ingredient or other material, item or supply, that we have not then approved, or to purchase any product from a supplier that is we have not designated as an approved supplier. At our request, you must submit samples and other information we require for testing or to otherwise determine whether the product, material or supply or the proposed supplier meets our specifications and quality standards. We evaluate proposed suppliers based on their ability to provide services or to make products that conform to our specifications and quality standards, their willingness and ability to maintain the confidentiality of our information, their production and delivery capability, their financial condition and insurance coverage, and their ability to provide the product and/or service on a national basis. We typically will notify you of supplier approval or disapproval within 60 to 90 days after we receive all the information and samples we request. You must pay all costs of the inspection and evaluation and the actual cost of the test. We also may require the supplier to sign a supplier agreement. We may re-inspect the facilities and re-evaluate products of any supplier of an approved supplier, approved variance or item and revoke our approval of any supplier, variance or item that fails to continue to meet any of our criteria. We will send written notice to the supplier if we revoke our approval of an approved supplier or item.

You must purchase and maintain in full force and effect, at your expense and from a company with a minimum A.M. Best Rating of A-VII, and (at our option) from a source we accept, the insurance that we periodically specify. Your insurance policy or policies must meet our standards and specifications (including minimum coverage amounts), and, at a minimum, currently must include the following coverages: (i) property insurance on the Sports Bar, its improvements and all fixtures, equipment, supplies and other property used in the operation of the Sports Bar; (ii) business interruption insurance that covers your loss of income and our Royalty Fees; (iii) comprehensive general liability insurance (including umbrella liability); (iv) liquor liability insurance; (v) automobile liability insurance on all owned, hired, rented and non-owned vehicles; and (vi) workers' compensation and employer's liability insurance covering all of your employees. Although not currently required, we strongly recommend that you consider

the following insurance coverage typically found in restaurant operations: back-up of sewer & drain; cyber liability; earthquake; employee benefit liability; employee dishonesty; employment practices liability; flood; food-borne illness-trade name restoration; food contamination-loss of income; food contamination-trade name restoration; interior & exterior glass & signs; machinery & equipment breakdown; money & securities; terrorism-property, auto and liability; and utility interruption-loss of income, and that you include mental injuries & loss of services in the umbrella's definition of "Bodily Injury." In addition, the required liability insurance must name us, our parents, and our affiliates as additional insureds, provide severability of interests and/or separation of insureds coverage, and be primary and non-contributory with any insurance that we and our affiliates maintain. We may periodically modify the required minimum limits and require additional insurance coverages as conditions require to reflect changes in relevant circumstances, industry standards, experiences in the Buffalo Wild Wings Sports Bar network, standards of liability and higher damage awards. You must send us (or our designee) at commencement and thereafter annually or at our request a proper certificate evidencing your compliance with our insurance requirements. If you do not obtain and maintain the required insurance coverage, we have the right, but not the obligation, to obtain insurance coverage and to charge the costs to you, together with a reasonable fee for the expenses we incur in doing so. Although we require certain insurance coverage and have recommended other coverages, we do not represent or guarantee that the required or recommended insurance is adequate to fully protect your assets. You should consult with an insurance professional to determine what coverage, in addition to the minimum required coverage, you may need for you and your Sports Bar.

Except as described in this Item 8, you currently are not required to purchase or lease any goods, services, supplies, fixtures, equipment, inventory, computer hardware or software, real estate or comparable items related to establishing or operating the franchised business from us, our affiliates, or our approved suppliers. We and our affiliates reserve the right to receive payments or other consideration from suppliers arising from your purchase of goods, products and services as described in this Item 8, and from any future purchase of any goods, products or services. During our 2022 fiscal year, we and our affiliates received a total of \$2,970,331 from suppliers of certain food products based on franchisees' purchases from those suppliers. Further, as part of our national philanthropic initiative in which all Buffalo Wild Wings Sports Bars must participate, we currently receive a \$1.00 rebate based upon those sports bars' purchases of featured Menu Items (including sauce and seasoning bottles), and we then donate those funds to the Buffalo Wild Wings Foundation. In addition, we and our affiliates receive payments from some suppliers that are contributed to the Advertising Fund. These payments may be percentage payments based on sales to franchisees, lump sums, reimbursements, or other similar types of payment. During our 2022 fiscal year, the amount of these payments that we and our affiliates received and deposited in the advertising Fund for use across the Buffalo Wild Wings Sports Bar network totaled approximately \$10,638,455. We anticipate that we and/or our affiliates will receive similar amounts from suppliers in 2023.

There currently are no purchasing or distribution cooperatives in the Buffalo Wild Wings Sports Bar network. We may negotiate purchase arrangements with suppliers, including price terms, for the benefit of our franchisees but not on behalf of individual franchisees. We do not provide material benefits (for example, renewal or granting additional franchises) to you based on your purchase of particular products or services or use of particular suppliers. Collectively, the purchases and leases that you must make from us or our affiliates, from designated or approved suppliers, or under our standards and specifications represent about 90% of your purchases and leases to establish, and about 50% of your purchase and leases to operate, the Sports Bar.

ITEM 9
FRANCHISEE’S OBLIGATIONS

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

	Obligation	Section in Agreement*	Disclosure Document Item
a.	Site selection and acquisition/lease	Sections 2.A and 5.A; Section 4.B of the Area Development Agreement	Items 7 and 11
b.	Pre-opening purchases/leases	Sections 5.A, 5.F and 6.C-D	Items 5, 6, 7 and 8
c.	Site development and other pre-opening requirements	Sections 5.A and 5.B; Sections 2 and 4 of the Area Development Agreement	Items 7, 8 and 11
d.	Initial and ongoing training	Sections 7.B, 7.C, and 7.D Section 6.D of the Area Development Agreement	Items 5, 6 and 11
e.	Opening	Sections 2.C, 5.A-B and 8.G; Section 4 of the Area Development Agreement	Items 5 and 11
f.	Fees	Sections 9.A-D, 9.E and Appendix C; Section 3 and Appendix D of Area Development Agreement	Items 5, 6 and 7
g.	Compliance with standards and policies/Operations Manual	Sections 6.A-R; Sections 4 and 6 of the Area Development Agreement	Items 6, 7, 8, 11, 14 and 16
h.	Trademarks and proprietary information	Sections 3.A-E and 6.J; Section 6.B of the Area Development Agreement	Items 13 and 14
i.	Restrictions on products/services offered	Sections 2.D and 6.A-C	Items 6, 7, 8, 11, and 16
j.	Warranty and customer services requirements	Section 6.L	Items 6 and 11
k.	Territorial development and sales quotas	Sections 2.B and 2.D; Section 4 and Appendix D of the Area Development Agreement	Item 12
l.	Ongoing product/service purchases	Sections 6.A-C	Items 6, 7 and 8
m.	Maintenance, appearance and remodeling requirements	Sections 5.B-F	Items 8 and 11
n.	Insurance	Section 10.C	Items 6, 7 and 8
o.	Advertising	Sections 8.A-G and 9D	Items 6, 7 and 11
p.	Indemnification	Section 10.B	None
q.	Owner’s participation/management/staffing	Sections 7.A-G	Items 11 and 15
r.	Records/reports	Sections 9.E and 9.H	Item 11
s.	Inspections/audits	Sections 5.C, 6.G and 9.I	Items 6 and 11

	Obligation	Section in Agreement*	Disclosure Document Item
t.	Transfer	Sections 11.A-G; Section 10 of the Area Development Agreement	Items 6 and 17
u.	Renewal	Section 4.B	Items 6 and 17
v.	Post-termination obligations	Sections 14.A-B; Section 9.A-E of the Area Development Agreement	Item 17
w.	Non-competition covenants	Section 10.D	Item 17
x.	Dispute resolution	Section 12; Section 7 of the Area Development Agreement	Item 17
y.	Other	Not Applicable	Not Applicable

*Unless otherwise noted, Section references are to the Franchise Agreement.

ITEM 10 **FINANCING**

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

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

Except as listed below, Buffalo Wild Wings International, Inc. is not required to provide you with any assistance.

Pre-Opening Assistance: Before you open your Sports Bar, we will:

1. Provide you with site selection criteria and general building and design requirements for your Sports Bar (Franchise Agreement, Sections 2.A, 5.A and 5.B).
2. Accept a site for your Sports Bar that meets our requirements. We describe our site selection and acceptance and lease acceptance processes later in this Item. (Franchise Agreement, Sections 2.A, 5.A and 5.B)
3. Provide you with either a written copy or an electronic copy of the manual (or electronic access to the manual) that detail the specifications and procedures relating to the operation of the Sports Bar (Franchise Agreement, Section 6.I). The manual currently contains 83 pages. The following table identifies the subjects contained in the manual and number of pages devoted to the subject.

Manual Section	Pages
Ops Systems, Tools & Processes	39
Food & Beverage Processes	12
Safety & Sanitation	32
Total	83

4. Provide guidance and assistance on the construction, decoration, development and opening of your Sports Bar. We describe this assistance and your obligations later in this Item. (Franchise Agreement, Sections 2.C, 5.A and 5.B and Area Development Agreement, Sections 2.B, 4.A and 4.B)

5. Provide the initial training programs described below (Franchise Agreement, Section 7).
6. Provide specifications and names of approved suppliers for opening inventory, supplies, and related materials. We do not provide items directly, but will provide the names of approved suppliers for some items and written specifications for some items. We do not deliver or install any items. (Franchise Agreement, Section 6).

Ongoing Assistance: During the operation of your Sports Bar, we will:

1. Maintain the advertising Fund described later in this Item (Franchise Agreement, Section 8.A).
2. Approve all advertising and promotional materials that meet our requirements (Franchise Agreement, Section 8).
3. Provide updates to the Approved Suppliers and Approved Supplies Lists (Franchise Agreement, Section 6.C).
4. Make periodic visits to your Sports Bar as we reasonably determine to be necessary to provide consultation and guidance. (Franchise Agreement, Section 6.G).
5. Provide refresher training courses as we determine necessary. Training may include the use of multi-media such as e-learning, videos, or simulations. You must acquire an electronic device such as a laptop or tablet to access these materials and complete courses as required. We may provide in-person training programs without charge, but you must pay all expenses for you and your employees, including training materials, travel and living expenses (Franchise Agreement, Section 7.C).

Our Obligations Under the Area Development Agreement

If you sign an Area Development Agreement, you will sign the initial Franchise Agreement in the Development Schedule when you sign the Area Development Agreement. If you comply with the Area Development Agreement and our then current development policies, and we have accepted your proposed site for a new Buffalo Wild Wings Sports Bar, then we will issue a Franchise Agreement for that Sports Bar at that site. You (or a Developer Subsidiary) and we must enter into our then current form of Franchise Agreement for the proposed Sports Bar. You understand that we may periodically modify the then current form of Franchise Agreement and that it may be different than the current form of Franchise Agreement, including different fees and obligations. (Area Development Agreement, Section 5.B)

Advertising and Marketing

Grand Opening Marketing

You must conduct certain advertising and public relations activities relating to the opening of your Sports Bar. In addition to the other required advertising payments described here, you must spend at least \$12,500 for grand opening activities during the time between 45 days before and 45 days after the Sports Bar opens. You also must perform these opening advertising and promotions every time that you relocate the Sports Bar or reopen the Sports Bar after having it closed for 30 days or more. Upon our request, you must provide to us proof of these expenditures. We have the right, but not the obligation, to collect and administer these funds on your behalf. (Franchise Agreement, Section 8.G) If you are developing a Sports Bar at a Non-Traditional Location, you are not required to conduct any grand opening marketing activities. (Non-Traditional Rider to the Franchise Agreement, Section 9)

Fund

You currently must pay an Advertising Fee of 3.25% of your Sports Bar's Gross Sales to an advertising and development fund (the "Fund") we have established. (Sections 8.A and 9.D of Franchise Agreement.) We may periodically increase or decrease the amount of the Advertising Fee, but we may not increase the Advertising Fee by more than ½% of Gross Sales per year and the Advertising Fee may not exceed 4.15% of Gross Sales during the term of your Franchise Agreement. If we change the Advertising Fee, we will provide you with 60 days' advance written notice. For our company- and affiliate-owned Buffalo Wild Wings Sports Bars (except for Buffalo Wild Wings Sports Bars at Non-Traditional Locations), we or our affiliate will contribute to the Fund at the same rate as similarly situated franchised Buffalo Wild Wings Sports Bars in the same local marketing area) If you are developing a Sports Bar at a Non-Traditional Location, you currently must pay an Advertising Fee of 0.5% of your Sports Bar's Gross Sales to the Fund. (Non-Traditional Rider to the Franchise Agreement, Section 10) Other franchisees may contribute to the Fund at different rates. Third party suppliers also might contribute amounts to the Fund.

We administer the Fund. The Fund is not a trust or escrow account, and we have no fiduciary obligation to franchisees arising from the Fund, although we will spend amounts in the Fund in a manner that we determine is in the general best interests of the System. We may use the Fund (among other things) to conduct national, regional and/or local advertising. Our in-house staff, national or regional advertising agencies, and/or other contractors may produce advertising, marketing and promotional materials that the Fund finances. We have the right to determine the expenditures of the amounts collected and the methods of marketing, advertising, media employed and the contents, terms and conditions of marketing campaigns and promotional programs. Because of the methods used, we are not required to spend a prorated or specific amount on each contributing Buffalo Wild Wings Sports Bar or in each advertising market. We also have the right to make disbursements from the Fund for expenses incurred relating to the cost of formulating, developing and implementing marketing, advertising and promotional campaigns. In addition, we may use the Fund for the following purposes: (1) salaries, benefits and any other payments made to employees or any other individual or entity providing services to the Fund, and administrative costs, salaries and other expenses for marketing support personnel and operating expenses associated with the Fund; (2) broadcast, digital, print or other advertising; (3) the creation, development and production of advertising and promotional materials in any media (i.e., print ads, radio, film and television commercials, digital assets, videotapes, direct mail pieces and other print and electronic advertising); (4) any marketing or related research and development (e.g., innovation, technology, training materials related to accurately promoting or producing food or products, and so on); and (5) advertising and marketing expenses, including product and food research and development, services that advertising agencies provide, public relations firms or other marketing, research or consulting firms or agencies, menus and menu designs, customer incentive programs, sponsorships, marketing meetings and sales incentives, development of our website and intranet system, internet access provider costs, subscriptions to industry newsletters or magazines, and other marketing-related expenditures we specify.

The Fund is not audited. If you request, we will provide you an annual unaudited statement of the financial condition of the Fund. During our 2022 fiscal year the Fund spent 64% of its expenditures on media placement, 16% on printing and production costs, 6% on agency fees, 5% on general and administrative expenses, and 9% for technology initiatives, including our website, customer personalized offers and rewards programs. We currently do not use any Fund contributions principally to solicit new franchise sales, although we may do so in the future. If we spend less than the total of the Fund contributions in any year, we retain the balance to spend during the next year for the purposes described here.

We direct the Fund expenditures, although we may receive input from the Buffalo Wild Wings Franchise Advisory Council ("FAC") and/or the FAC's marketing subcommittee. The marketing subcommittee serves only in an advisory capacity and currently consists of 11 members, including individuals who are employees of our Parent and 6 franchisee representatives whom we and the FAC appoint to serve on the marketing subcommittee. The marketing subcommittee serves in an advisory

capacity only and has no operational or decision-making power. We have the power to form, change or dissolve the marketing subcommittee.

Local Advertising

You must use your best efforts to promote and advertise the Sports Bar and participate in any marketing and promotional programs we periodically establish. In addition to the Advertising Fee, you must spend ½% of your Sports Bar's Gross Sales on approved local marketing and promotion, unless the Sports Bar will be located a Non-Traditional Location, and then you are not required to spend any additional amounts on local marketing or promotion activities. Upon our request, you must provide us with itemization and proof of marketing and an accounting of the money that you have spent for approved local marketing. At our option, you must periodically prepare and submit to us for our approval a proposed local advertising and marketing plan that contemplates spending at least the amount required and must implement the plan in the form that we approved it. If you fail to make the required expenditure, we may collect and contribute the deficiency to the Fund. You must use only those advertising materials (including any print, radio, television, electronic, or other media forms that may become available in the future) as we furnish, approve or make available, and you must use the materials only in a manner that we specify. Any promotional activities you conduct in the Sports Bar or on its premises are subject to our approval. We will not unreasonably withhold approval of any sales promotion materials or media and activities if they are current, in good condition, in good taste and accurately depict the Trademarks. Any point-of-sale posters or other promotional materials you use must be current and in good condition. We may make available at a reasonable cost to you annually or at other reasonable intervals, a sales promotion kit containing new (or replacement) point of sale and other promotional materials (Franchise Agreement, Sections 8.B and 8.C)

Social Media

You must comply with our policies and requirements (as we periodically modify them) concerning blogs, common social networks like Facebook, professional networks like Linked-In, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites like TikTok, Pinterest and Instagram, and other similar social networking or media sites or tools (collectively, "Social Media") that in any way reference the Trademarks or involve the Sports Bar. These policies may involve prohibitions on your or your representatives' use of Social Media in relation to the Trademarks or the Restaurant. (Franchise Agreement, Section 8.F)

Advertising Cooperatives and Local Marketing Groups

We may designate a local advertising market for Buffalo Wild Wings Sports Bars, and if we do, you must participate in and contribute to the cooperative or local marketing group responsible for coordinating advertising and marketing programs in your designated local advertising market. We typically determine these local advertising markets based on our specific criteria for designated marketing areas. If established, you must contribute a minimum of ½% of your Sports Bar's Gross Sales to the local cooperative or local marketing group (the "Cooperative"), which satisfies the local marketing requirement described above. If, however, the Cooperative votes to spend a percentage greater than ½% of Gross Sales per location, you must contribute that amount. Each Buffalo Wild Wings Sports Bar, including those that we, our parent company or our affiliates operate (except at Non-Traditional Locations), within a designated local advertising area is a member of the Cooperative and each sports bar has one vote on all matters requiring a vote. Each Cooperative will adopt bylaws or other governing documents that we approve, and you must comply with the terms of those governing documents. A formal advertising cooperative's members administer those cooperatives, and we (through our field marketing department) typically direct and administer the local marketing groups. We (at our option) may administer the Cooperatives' funds and require payment from its members via electronic funds transfer, and may charge a reasonable fee to the cooperative to cover our costs of providing this service. The contribution amount must be on a percentage of Gross Sales basis and per Sports Bar, and must be at least ½% of Gross Sales. Each Cooperative must

engage the services of a professional advertising agency or media buyer that we approve and that has expertise in the industry and in the particular market. Further, you must obtain our written approval of all promotional and advertising materials, creative execution and media schedules before their implementation. Each Cooperative will prepare annual financial statements and provide them to all members of the Cooperative and to us upon request. Also, each Cooperative must submit to us its meeting minutes upon our request. We may form, change, dissolve and merge Cooperatives.

POS, Technology and Computer System

You must purchase and use any computer system that we develop or select for the Sports Bar, including all future updates, supplements and modifications (the "Computer System"). The Computer System may include all hardware and software used in the operation of the Sports Bar, including Point-of-Sale (POS) terminals and back office programs used to record, analyze and report sales, inventory, tax and other operational information. The computer software package developed for use in the Sports Bar may include proprietary software and/or other technology. We may require you to license proprietary software or other technology, and/or purchase Computer System components and other related equipment, products and services, only from us, one of our affiliates or one or more third parties (at our option), and you must pay any licensing, user or technology fees and prices for components, equipment and other products and services that we or they determine. All right, title and interest in the software will remain with the licensor of the software or technology. The computer hardware and other equipment components of the Computer System must conform to specifications we develop. We reserve the right to designate a single source from whom you must purchase the Computer System and related support services, and that single source may be us or an affiliate. You must, at all times, have at the Authorized Location internet access with a form of secure high-speed broadband internet connection at our then-current minimum bandwidth specification. You also must maintain an email account for our direct correspondence with the Control Person and a separate email account for the Sports Bar.

You must record all sales of your Sports Bar on information systems that we have approved and report your Gross Sales daily through our Franchise Sales Automation (FSA) electronic data interface. This Computer System generates and stores sales, inventory, product usage, operational and tax information. The information system currently costs approximately \$40,000. All Buffalo Wild Wings Sports Bars must use one specific POS system, the Aloha POS system. You must purchase the Aloha POS system (hardware and software), and required ongoing maintenance and support, from a designated supplier. We estimate the current costs for annual recurring software and hardware maintenance, repairs, upgrades and updates for the POS System will cost from \$2,000 to \$9,000 for each Buffalo Wild Wings Sports Bar. Otherwise, neither we, our affiliate, nor any third party has any obligation to provide ongoing maintenance, repairs, upgrades or updates. You also must participate in the integrated online ordering solution we designate and acquire the required equipment and software only from our designated supplier. The estimated costs for franchisees to participate in the online ordering program currently include a one-time estimated cost \$325 to \$600, as well as annual maintenance fees of \$920.

We may periodically designate changes or enhancements to the Computer System, including the POS terminals, computer hardware, POS file server, software, tablet technology, payment gateway technology and other equipment. You must install and begin using the required, changed or enhanced Computer System on the schedule we specify. We also may add new payment methods beyond traditional methods, including online payment, mobile order taking/payment, and table-side order and pay capabilities. Upon notice from us, you must invest in the technologies necessary to ensure the proper functioning of the new payment methods or other technology. This investment may be related to costs for hardware, software, and related service and support. No contract limits the frequency or cost of your obligations.

We have unlimited, independent access to your Sports Bar's Computer System and may retrieve, analyze, download and use all software, data and files generated or stored on the Computer System. You

must store all data and information that we designate and report data and information in the manner we specify, including through our intranet, file exports, integration services or other online communications or services. (Franchise Agreement, Sections 6.D, 6.R, 9.E and 9.H)

You must, at all times, be compliant with the applicable and then current Payment Card Industry Data Security Standard (“PCI-DSS”) and requirements. You must verify to us your compliance with PCI-DSS requirements periodically as we specify. If you receive notice of a credit card breach, you must notify us immediately that an investigation is underway and cooperate fully with us concerning the investigation, media responses and resolution management.

Site Selection and Lease

You select the site for the Sports Bar within the area designated in the Franchise Agreement or Area Development Agreement. In either case, we provide you with site selection criteria. You must verify to us that your site complies with our site selection criteria. You must send us a complete site report (containing the demographic, commercial, market and other information and photographs we periodically specify) for each proposed site, and information on your financial and operational ability to develop and operate the proposed Sports Bar, along with sending us information necessary to complete each Franchise Agreement, all on the schedule we periodically specify. Within 45 to 60 days after you submit all required information, we will notify you in writing whether or not we have any objections to the site you proposed. You may not develop a Sports Bar at any site unless we have communicated our acceptance of the site in writing. Our acceptance of the site simply means that the site meets our then current site selection standards or guidelines. We typically consider the following factors in deciding whether or not to object to any proposed site: demographics, traffic patterns, visibility, business mix, ability to obtain a liquor license, ability to reflect our brand image, adequacy of signs and image, and our assessment of the potential impact of a proposed site on other Buffalo Wild Wings Sports Bars. We generally do not own sites and lease them to franchisees, lease sites and sublease them to franchisees, or select sites for franchisees. If you have not chosen a site that we have accepted within 90 days after signing the Franchise Agreement, or you do not open the Sports Bar on or before the deadline in the Franchise Agreement or Development Schedule, we may terminate your Franchise Agreement or Area Development Agreement.

If you plan to sign any type of lease for the Sports Bar’s premises, you and your landlord must sign the Lease Addendum attached to the Franchise Agreement. You may not change the Lease Addendum form without our approval. You must provide us a copy of the executed lease and Lease Addendum, as well as any amendments to the lease signed after its effective date, within 5 days of signing. You must sign, and provide us an executed copy of, your lease (including an executed copy of the Lease Addendum) or the purchase agreement for the site within 120 days after the Franchise Agreement’s effective date. If you fail to sign the lease or the purchase agreement by these deadlines, we may terminate the Franchise Agreement (Franchise Agreement, Sections 2.A and 5.A).

Construction and Opening Your Sports Bar

The typical length of time between the signing of the Franchise Agreement, which is the first payment of any consideration for the franchise, and the opening of your Sports Bar is approximately 12 to 15 months. Factors that may impact this length of time may include whether you have an accepted site when you sign the Franchise Agreement and your ability to obtain a site, prepare a site survey, arrange leasing and financing, make leasehold improvements, install fixtures, equipment, and signs, decorate the Sports Bar, meet local requirements, obtain inventory, obtain a liquor license, and similar factors.

You must construct and equip the Sports Bar according to our specifications and standards pertaining to equipment, inventory, signage, fixtures, furnishings, accessory features (including sports memorabilia) and design and layout of the building. You must provide us for our approval proposed building plans for your Sports Bar in the form that we reasonably specify. You may not start construction

of the Sports Bar until you have received our written approval of your building plans. If your Sports Bar is not constructed strictly according to the previously-approved building plans, we will not approve your Sports Bar for opening. You will have 30 days from the date we deny our approval to correct all the construction problems so that your Sports Bar is strictly constructed according to the approved building plans. If you fail to correct the problems within this 30-day period, we may terminate the Franchise Agreement. If the Sports Bar opening is delayed for any of these reasons, you are responsible for any related losses and costs.

Promptly after obtaining our written confirmation of our acceptance of the site for the Sports Bar, you must: (i) retain the services of an architect that we approve; (ii) retain the services of a general contractor and audio/visual equipment providers and installers that we approve; (iii) have prepared and submitted for our approval a site survey and basic architectural plans and specifications (not for construction) consistent with our general atmosphere, image, color scheme and ambience requirements for a Buffalo Wild Wings Sports Bar (including requirements for dimensions, exterior design, materials, interior design and layout, equipment, fixtures, furniture, signs and decorating); (iv) retain the services of a company specialized in assisting restaurant operators during the construction process to assist you in submitting, processing, monitoring and obtaining in a timely manner all necessary construction documents, licenses and permits and to advise you throughout the construction of your Sports Bar if we determine, in our good faith judgment, that you do not have sufficient experience in the development process to manage this function; (v) purchase or lease and then, in constructing the Sports Bar, use only the approved building materials, equipment, fixtures, audio visual equipment, furniture and signs; (vi) complete the construction and/or remodeling, equipment, fixtures, furniture and sign installation and decorating of the Sports Bar in compliance with plans and specifications we approve and all applicable ordinances, building codes and permit requirements without any unauthorized alterations; (vii) obtain all customary contractors' sworn statements and partial and final waivers; (viii) obtain all necessary permits, licenses and architectural seals and comply with applicable legal requirements relating to the building, signs, equipment and premises, including the Americans With Disabilities Act; and (ix) obtain and maintain all required zoning changes, building, utility, health, sanitation, liquor and sign permits and licenses and any other required permits and licenses. You must use the prototype architectural drawings we provide to you when working with your architect and general contractor. You, your affiliates or your Principal Owners, or any person related to, or any entity controlled by your Principal Owners may not be your general contractor without our approval. Your general contractor may not be your audio/visual equipment provider and installer, unless your general contractor shows expertise in this field to our satisfaction and we approve the contractor before it begins any work. Once we provide our approval of the initial plans, any change to the building plans or any replacement, reconstruction, addition or modification in the building, interior or exterior decor or image, equipment or signage of the Sports Bar requires our approval. You may not start the replacement, reconstruction, addition or modification until you have received our written consent to your revised plans.

You must begin substantial construction (site work, utility infrastructure and building erection) of the Sports Bar at least 150 days before the deadline to open the Sports Bar if the Sports Bar is in a new free standing location or at least 120 days before the deadline to open the Sports Bar if the Sports Bar is in a non-free standing location or a conversion of an existing free-standing building. We may require you to provide us weekly development and construction progress reports in the form we designate from the date you begin development until the date you open the Sports Bar. In addition, on or before the deadlines to start construction you must submit to us, if requested, executed copies of any loan documents and any other document that proves that you have secured adequate financing to complete the construction of the Sports Bar by the required opening date. If you fail to begin construction or to secure financing by these deadlines, we may terminate the Franchise Agreement.

You must open and begin operating the Sports Bar by the "Required Open Date" (as defined by your Area Development Agreement or Franchise Agreement). You may not open the Sports Bar until: (1) you have properly developed and equipped the Sports Bar according to our standards and specifications and in compliance with all applicable laws and regulations; (2) all pre-opening training for the Sports Bar's

personnel has been completed to our satisfaction; (3) you have given us evidence of required insurance coverage and payment of premiums and a copy of the fully-signed Lease; (4) you have obtained all required zoning, building, utility, health, sanitation, liquor and sign permits and licenses and any other required permits and licenses; and (5) if we (at our sole option) require, we have conducted a pre-opening inspection and/or have certified the Sports Bar for opening. If you fail to begin operations by the Required Open Date, we may terminate the Franchise Agreement. If you sign the Area Development Agreement, you must open and begin operating the new Sports Bars according to the Development Schedule in the Area Development Agreement. If you fail to comply with the Development Schedule, we may terminate the Area Development Agreement. The intervals for opening individual sports bars depend upon the negotiated Development Schedule and are generally about 12 months for the first Sports Bar. The timelines in the Development Schedule supersede Franchise Agreement timelines and may be shorter than the timelines described in the Franchise Agreement. (Franchise Agreement, Sections 2.C, 5.A and 5.B and Area Development Agreement, Sections 2.B, 4.A and 4.B)

Training

Not more than 120 days, but not less than 60 days, before the opening of your Sports Bar, we will provide the following initial in-Sports Bar training and familiarization course to train at least 4 people from your management team (including your Control Person, Unit General Manager and at least 2 assistant managers), which the attendees must complete to our satisfaction:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-job Training	Location
HOH Operations	10	40	NCTSB
FOH Operations	10	40	NCTSB
Running a Shift	30	120	NCTSB
Role-Specific Training	10	90	NCTSB
TOTAL	60	290	

Rachel Richal, our Vice President of Training, oversees our training programs. Ms. Richal joined us in 2019 and has held many positions with us and Parent, including Director, Learning and Sr. Director of Learning and Team Member Activation. Previously she was Director of Training for TooJay’s Deli and Restaurant overseeing the company’s training and operations programs and new restaurant openings. She has a B.S. in Hospitality Management and over 20 years of restaurant experience in various roles in training and operations. Additional employees who have experience in some facet of the operation of a Buffalo Wild Wings Sports Bar (for example, opening, operations, or systems management) will assist Ms. Richal with the development and administration of the training program. Instructional materials for the training programs are located on our intranet and online Learning Management System.

The classroom training is a self-directed training curriculum. We conduct the initial manager training program, including on-the-job training, for your first Buffalo Wild Wings Sports Bar at a National Certified Training Sports Bar (“NCTSB”) that our affiliates operate. These NCTSBs are located in a variety of cities across the country. We hold training programs as often as necessary to address new sports bar openings. We will not charge for the initial training program, but you must pay the travel, living expenses and supply costs for you and your employees. You may also request approval to attend the first 5 weeks of training at a franchised Buffalo Wild Wings Sports Bar if it is certified as a NCTSB. If we approve, your

Sports Bar's Unit General Manager would still attend Role-Specific Training at a NCTSB that our affiliates operate. All required personnel must complete this training to our satisfaction.

After you and your management staff have successfully completed the training program, we will arrange, at your expense, for our opening team to travel to your Sports Bar to provide on-site training in connection with the opening of your Sports Bar. Our opening team will train you in implementing the System at your Sports Bar for two consecutive weeks (i.e., one week before the date that the Sports Bar opens for business, and one week after). You must pay us our then-current administrative fee (currently \$5,000) and reimburse us for the travel expenses and prorated salaries for providing on-site training in connection with the opening of your Sports Bar. The opening team may include one operations training lead and up to 10 other "heart of house" and/or "front of house" trainers (depending on our assessment of your needs). Our opening team will train you in implementing the System at your Sports Bar for a maximum of 2 consecutive weeks (i.e., one week before the date that the Sports Bar opens for business and one week after). We will assemble the opening team based on guidelines we establish. There are no specific subjects of the training that the opening team provides. Your Sports Bar staff need not complete specific tasks to our satisfaction. However, if we determine (in our sole judgement based on operations at your (or your affiliate's) other Buffalo Wild Wings Sports Bars) that you are capable of training your own staff prior to the opening of your Sports Bar, then you need not pay us the administrative fee or reimburse us for any expenses related to providing any on-site training, we will not provide on-site training in connection with the opening of your Sports Bar, and you must provide opening training to your Sports Bar staff according to our requirements.

At all times, you must employ at least 3 employees in each Buffalo Wild Wings Sports Bar who have completed to our satisfaction the manager training program, including any role-specific training. If at any time you fail to comply with this requirement, you must designate a replacement manager who must begin training within 4 weeks of hire.

You also may choose to certify your Sports Bar as a NCTSB. To be certified as a NCTSB, all of your and your affiliates' Buffalo Wild Wings Sports Bars must be fully complying with all of your and their Franchise Agreements (including all operational requirements) for an uninterrupted period of 6 months before your request.

On or before the opening date for the 4th Sports Bar that you (or your affiliates) operate, you agree to complete (or to cause your affiliate to complete) to our satisfaction the necessary brand standards training, attain the minimum benchmarks, and complete the other tasks that we then specify in order for us to designate one of your (or your affiliate's) Sports Bars as a NCTSB and that Sport Bar's Unit General Manager as the "Certified Training General Manager." There are no specific subjects or durations of training to attain NCTSB and Certified Training Manager status. The training is typically conducted at a NCTSB located near you. We do not charge any separate fees for this training, but you must pay all travel and living expenses for you and your personnel. Once you or your affiliate have attained these certifications, if the NCTSB loses that certification or otherwise fails to meet our minimum benchmarks to retain that certification, or if the Certified Training General Manager's employment at the NCTSB ends or the Certified Training General Manager otherwise loses that certification, then within 60 days, you agree to complete (or to cause your affiliate to complete) the tasks necessary for us to once again have one of your or your affiliate's Sports Bars designated as a NCTSB and for that Sport Bar's Unit General Manager to be designated as the Certified Training General Manager. We may permit and/or require that certain initial and ongoing training provided under this Agreement be conducted at your (or your affiliate's) NCTSB, under the direction and supervision of the Certified Training General Manager, and according to our standards and requirements.

In addition to management training, you must maintain at the Sports Bar the following minimum number of Certified Trainers (CTs) as outlined in the chart below. You must have these Certified Trainers in place within 90 days after the Sports Bar's opening:

SALES	AWS	# HOH CTs	# FOH CTs
Below 2.2 M	Below \$41,586	3	5
2.21 – 3.9 M	\$41,587-\$73,645	4	6
3.91 – 5.6 M	\$73,646-\$106,708	6	8
Above 5.61 M	Above \$106,709	8	10

Your Control Person or another representative of the Sports Bar whom we approve must attend, at your expense, all annual franchise conferences we may hold or sponsor and all meetings relating to new products or product preparation procedures, new operational procedures or programs, training, restaurant management, sales or sales promotion, or similar topics that we periodically specify. You and/or your Control Person and other Sports Bar personnel must attend any additional meetings and refresher training programs that we periodically deem appropriate, although none are currently planned. (Franchise Agreement Section 7)

If you sign an Area Development Agreement for more than 11 Buffalo Wild Wings Sports Bars, you also must hire and maintain a full-time development manager and a professional training manager who completes additional training to our satisfaction, including the training that unit managers complete. If you sign an Area Development Agreement for more than 4 Buffalo Wild Wings Sports Bars, you must have a multi-unit operations manager to oversee the management of all your Sports Bars who also completes additional training to our satisfaction. For the New Sports Bar Opening Training of the third Sports Bar under the Area Development Agreement, you must have at least one Certified Trainer in a front of house position and one Certified Trainer in a heart of house position. These Certified Trainers must assist us in providing the New Sports Bar Opening training for the third Sports Bar under the Area Development Agreement. For the New Sports Bar Opening training of the 4th Sports Bar under the Area Development Agreement, you must have at least 2 Certified Trainers in front of house positions, 3 Certified Trainers in heart of house positions and one certified manager to supervise the 5 Certified Trainers. These individuals must provide all the training necessary to open the 4th and any subsequent Buffalo Wild Wings Sports Bar under the Area Development Agreement. All the certified trainers and managers must meet our approval. We do not have any obligation to provide training and opening assistance for the 4th and subsequent Buffalo Wild Wings Sports Bars under any Area Development Agreement. In addition, you must provide the ongoing Manager Training Program going forward. All training must comply with our requirements. (Area Development Agreement, Section 6.D)

ITEM 12 **TERRITORY**

Franchise Agreement

Under the Franchise Agreement, you receive the right to operate a Buffalo Wild Wings Sports Bar at a specific location that we accept. That location is within a “Designated Area” that we specify in the Franchise Agreement. If you have located an accepted site when we and you sign the Franchise Agreement, then we will identify the Designated Area in the Franchise Agreement. If you have not yet located an accepted site when we and you sign the Franchise Agreement, then after you sign a lease for the accepted site, we will define the Designated Area based on the factors that we deem relevant. We typically defined Designated Areas based on demographics, the character of the site and nearby businesses and residences, the density of residential and business entities, restaurant co-tenants, traffic generators, driving times, and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways, and underdeveloped land areas. The consumer service area, trade area or designated area of another Buffalo Wild Wings Sports Bar might overlap with your Designated Area. There is no minimum size for Designated Areas, but a Designated Area for a Buffalo Wild Wings Sports Bar ranging from 3,500 to 7,000 square feet

generally will have a trade area with a population base of, or anticipated population growth to, approximately 30,000 to 40,000.

While you and your affiliates comply with the terms of the Franchise Agreement and any other agreements with us and our affiliates, we and our affiliates will not locate and operate or grant to anyone else a franchise to locate and operate a Buffalo Wild Wings Sports Bar within the Designated Area during the term of the Franchise Agreement, except for Buffalo Wild Wings Sports Bars located at Non-Traditional Locations within the Designated Area and as described below for Limited Seating Facilities (defined below). If you operate your Sports Bar at a Non-Traditional Location, then under the Non-Traditional Rider to the Franchise Agreement, you receive the right to operate at a specific location that we accept, but will not receive any geographic or territorial protections. Because we can locate Buffalo Wild Wings Sports Bars at Non-Traditional Locations and locate Limited Seating Facilities (subject to your rights described below) within the Designated Area, if you operate at a Non-Traditional Location you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Certain locations within and outside the Designated Area are by their nature unique and separate in character from sites generally developed as Buffalo Wild Wings Sports Bars. As a result, Non-Traditional Locations are excluded from the Designated Area, and we have the right to develop, license or franchise Buffalo Wild Wings Sports Bars at these locations, whether they are within or outside the Designated Area.

Subject to your right of first refusal described here, we and our affiliates have the right to operate or franchise within and outside the Designated Area one or more facilities selling, for dine in, take out, catering or delivery, all or some of the Menu Items, using the Trademarks or any other substantially similar trademarks, service marks or trade names (for example, “B-Dubs”), without compensation to any franchisee, but these facilities will not have an interior area larger than 2,700 square feet and nor a seating capacity for more than 60 people (“Limited Seating Facilities”). We have developed a model for a Limited Seating Facility, but it is under refinement and may change. If we determine that your Designated Area is an appropriate market for this kind of facility, we will provide to you a written offer (“Offer”) specifying the terms and conditions for your development of the Limited Seating Facility. You will have 90 days after receiving the Offer to accept the Offer by delivering written notice to us of your acceptance, if you are not in default under the Franchise Agreement or any other agreement with us or our affiliates. If you do not provide written notice to us within that time period or if you are in default under the Franchise Agreement or any other agreement with us or our affiliates, you will lose the right to develop the Limited Seating Facility and we may develop or franchise to others to develop the Limited Seating Facility within your Designated Area. If you accept the Offer, we may require you to submit a full application, pay an initial fee and sign a new form of franchise agreement.

We (on behalf of ourselves and on behalf of any other entity which we may acquire, or be acquired by, or otherwise are or become affiliated with) retain all rights not expressly granted in the Franchise Agreement. We and our affiliates have the right to operate and franchise others the right to operate restaurants or any other business for the same, similar or different products or services, both within and outside the Designated Area, under trademarks other than the Buffalo Wild Wings® trademarks, without compensation to any franchisee. Except as described above, we and our affiliates have the right to grant other franchises or develop and operate company- or affiliate-owned restaurants and/or otherwise offer, sell or distribute any products or services, including those associated with the System under the Trademarks or any other trademarks, service marks or trade names, all without compensation to any franchisee. Further, we and our affiliates have the right to offer, sell or distribute, within and outside the Designated Area, through any other (i.e., non-restaurant) distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. The other distribution channels or methods include grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry

locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce).

If you choose to relocate the Sports Bar because your lease expires or is cancelled for reasons other than your breach, or you need to relocate the Sports Bar because of condemnation or destruction, we will grant you authority to do so at a site acceptable to us that is within your Designated Area if you comply with our timelines for notice and development of the new site. You must pay the costs of any relocation, and we reserve the right to charge you for any reasonable costs that we incur relating to your relocation.

You may engage in catering and delivery services from the Sports Bar if you receive our approval and comply with our standards. Otherwise, there are no restrictions on your soliciting or accepting orders from consumers outside of the Designated Area, but you do not have the right to use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing, to make sales within or outside of your Designated Area. We and our affiliates may use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within the Designated Area using the Trademarks or other trademarks without compensating you.

Continuation of your territorial rights under the Franchise Agreement does not depend on your achieving a certain sales volume, market penetration or other contingency. Except as described for Limited Seating Facilities within your Designated Area, the Franchise Agreement does not provide you options, rights of first refusal, or similar rights to acquire additional franchises within the Designated Area or contiguous areas. We may not alter your Designated Area or modify your territorial rights in the Designated Area before your Franchise Agreement expires or is terminated, although we may do so for a successor franchise agreement.

Area Development Agreement

If we and you sign an Area Development Agreement, then we grant to you the right (directly or through Developer Subsidiaries) to develop and sign Franchise Agreements to operate the number of new Buffalo Wild Wings Sports Bars identified on the Development Schedule within the Development Territory. We typically defined Development Territories based on demographics, the character of the market and nearby businesses and residences, the density of residential and business entities, traffic generators, driving times, and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways, and underdeveloped land areas. The consumer service area, trade area or designated area of another Buffalo Wild Wings Sports Bar might overlap with your Development Territory. There is no minimum size for Development Territories.

To maintain your rights under the Area Development Agreement, you (or a Developer Subsidiary) must (i) submit site packages for proposed Buffalo Wild Wings Sports Bar sites that you reasonably believe conform to our then current site selection criteria, in the form and containing the information that we periodically specify, for the number of sites described under the Development Schedule; (ii) sign Franchise Agreements with us for the number of new Buffalo Wild Wings Sports Bars described under the Development Schedule; and (iii) open and begin operating the number of new Buffalo Wild Wings Sports Bars described under the Development Schedule in compliance with the applicable Franchise Agreements. You also must comply with the Development Schedule requirements regarding the cumulative number of new Buffalo Wild Wings Sports Bars to be open and continuously operating for business in the Development Territory. If you fail to comply with any aspect of the Development Schedule, we may terminate the Area Development Agreement. If you are developing 3 or more new Buffalo Wild Wings Sports Bars under the Area Development Agreement, you will have a "late opening extension right" of 2 weeks for each Sports Bar and each deadline in the Development Schedule in which we will not have the right to terminate the Area Development Agreement due to your failure to meet the applicable deadline. To take advantage of this late opening extension, you must make a request for the extension 45 days before the applicable deadline set forth in the Development Schedule and have been in continuous compliance

throughout the term of the Area Development Agreement. Except for these situations, continuation of your territorial rights in the Development Territory does not depend on your achieving a certain sales volume, market penetration or other contingency, and we may not alter your Development Territory or modify your territorial rights in the Development Territory. Except as described below for Limited Seating Facilities, you have no options, rights of first refusal or similar rights to acquire additional franchises.

If you are complying with the Area Development Agreement (including the Development Schedule) and you and your affiliates are complying with the terms of any other agreements with us and our affiliates, then we and our affiliates will not locate and operate or grant anyone else a franchise to locate and operate a Buffalo Wild Wings Sports Bar within the Development Territory, except for the Buffalo Wild Wings Sports Bars at Non-Traditional Locations and as described below for Limited Seating Facilities. Non-Traditional Locations are excluded from the Development Territory, and we have the right to develop, license or franchise Buffalo Wild Wings Sports Bars at those locations, whether they are within or outside the Development Territory. However, if the Development Territory covers more than one city, county, designated market area or target area (each “Target Area”), then this territorial protection for each Target Area expires upon the earlier of (i) the expiration or termination of the Area Development Agreement, or (ii) the date upon which you or a Developer Subsidiary signs a Franchise Agreement for your final Buffalo Wild Wings Sports Bar to be developed in that Target Area under the Development Schedule. When this territorial protection expires for the Development Territory or Target Area (as applicable), we may thereafter locate and operate, and franchise others to locate and operate, Buffalo Wild Wings Sports Bars in the Development Territory or Target Area (as applicable), except as otherwise provided under any Franchise Agreement that is then in effect. Because we can locate Buffalo Wild Wings Sports Bars at Non-Traditional Locations and locate Limited Seating Facilities (subject to your rights described below) within the Development Territory, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

The rights described above that we and our affiliates reserve in a franchisee’s Designated Area for a single Buffalo Wild Wings Sports Bar are generally the same for the Development Territory under the Area Development Agreement. If we determine that your Development Territory is an appropriate market for a Limited Seating Facility, we will provide to you an Offer specifying the terms and conditions for your development of the Limited Seating Facility. You will have 90 days after receiving the Offer to accept the Offer by delivering written notice to us of your acceptance, if you are not in default under the Area Development Agreement or any other agreement with us or our affiliates. If you do not provide written notice to us within that time period or if you are in default under the Area Development Agreement or any other agreement with us or our affiliates, you will lose the right to develop the Limited Seating Facility and we may develop or franchise to others to develop the Limited Seating Facility within your Development Territory. If you accept the Offer, we may require you to submit a full application, pay an initial fee and sign a new form of franchise agreement.

Except as described in Item 1, we do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, our affiliates, including the Affiliated Programs described in Item 1 and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell. Item 1 describes our current Affiliated Programs that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands (with limited exceptions) maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Most of the Affiliated Programs are not direct competitors of our franchise network given the products or services they sell, although some are, as described in Item 1. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from customers near your business. Because they are separate companies, we do not expect any conflicts

between our franchisees and our affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

In addition, through control with private equity funds managed by Roark Capital Management, LLC, we are affiliated with Miller's Ale House, Inc. ("MAH"). MAH owns and operates approximately 101 casual sports restaurants and bars across the United States that operate under the Miller's Ale House trademark. MAH offers products and services similar to those products and services offered at your Sports Bar, including chicken wings and beer. MAH may solicit or accept orders within your Designated Area. MAH's principal business address is 5750 Major Blvd., Suite 400, Orlando, Florida 32819.

ITEM 13
TRADEMARKS

The Franchise Agreement licenses you to use the trademark and service mark BUFFALO WILD WINGS and other Trademarks. Our Parent has registered the following principal Trademarks on the Principal Register of the U.S. Patent and Trademark Office (the "PTO"):

PRINCIPAL TRADEMARKS	REGISTRATION DATE	REGISTRATION NUMBER
BUFFALO WILD WINGS	April 13, 1999	Reg. No. 2,239,550
BUFFALO WILD WINGS GRILL & BAR (design mark)	September 8, 1998	Reg. No. 2,187,765
BUFFALO WILD WINGS (logo)	February 19, 2013	Reg. No. 4,293,524
BUFFALO WILD WINGS. Beer. Sports. (logo)	April 22, 2014	Reg. No. 4,519,293

Our Parent has made all required renewal and affidavit filings. Our Parent has licensed us the right to use the Trademarks and to sublicense them for the operation of Buffalo Wild Wings Sports Bars under a license agreement dated January 1, 2007. The initial term of the license agreement is for 20 years and it provides for unlimited, automatic renewals for terms of 10 years each. Our Parent may terminate the license agreement if either we or any franchisee misuse the Trademarks in a way as to materially impair the goodwill associated with the Trademarks, or if we are dissolved, become insolvent or (except for our right to sublicense the Trademarks to franchisees) assign our rights under the license agreement without our Parent's consent. We have the first right of refusal if our Parent decides to sell its rights in the Trademarks. There are no other agreements currently in effect that significantly limit our right to use or license the use of the Trademarks.

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, and no pending infringement, opposition or cancellation proceedings, and no pending material litigation, involving the principal Trademarks. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Trademarks in any state.

You must notify us of any suspected infringing uses of, or claims of rights to, the Trademarks or any similar mark, and cooperate with us in responding to them. We or our Parent has the sole right to determine whether to take any legal action concerning any infringement or claims and to control and direct any administrative proceeding or litigation involving the Trademarks. We will pay the cost of any litigation

or administrative action for policing the Trademarks against infringement, unless the challenge or claim results from your misuse of the Trademarks in violation of the Franchise Agreement, in which case you must reimburse us for our fees and expenses. You must (at your expense) take reasonable steps to assist us with any action. We are not obligated, however, to institute legal or other action to protect you against claims of infringement or unfair competition concerning the Trademarks. We need not participate in your defense nor indemnify you for expenses and damages if you are a party to any administrative or judicial proceeding involving a Trademark or if the proceeding is resolved unfavorably to you. You may not take any legal action for infringement or unfair competition concerning the Trademarks without our consent.

You may use the Trademarks only according to the Franchise Agreement and our manuals. You may not use, or permit the use of, any trademarks, trade names or service marks in operating the Sports Bar except the Trademarks or except as we otherwise direct in writing. You may use the Trademarks only with those products and services that we specify and only in the form and manner we specify in writing. You must comply with all trademark, trade name and service mark notice marking requirements. You may use the Trademarks only in association with products and services we approve and that meet our standards or requirements for quality, mode and condition of storage, production, preparation and sale, and portion and packaging. You must follow our directions in using the Trademarks and any modified or new trademark. If we require you to modify or discontinue use of a Trademark, we do not have to compensate you. This modification or discontinuance will not provide you with any termination or other rights.

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

We hold no patents and do not have any pending patent applications material to the franchise. We have not registered any copyrights applicable to the Buffalo Wild Wings Sports Bar business with the United States Copyright Office. However, we claim copyrights on and consider proprietary our manuals, forms, advertisements, and other proprietary materials. There are no currently effective material determinations of the PTO, the United States Copyright Office or any court regarding any of the copyrighted materials. We do not know of either superior prior rights or infringing uses that could materially affect your use of the copyrighted materials. There are currently no agreements in effect that limit our rights to use or license the use of any copyrights in any manner material to the franchise.

You must promptly inform us, in writing, when you learn about any infringement or unauthorized use of our proprietary information or copyrighted materials. We or our Parent has the sole right to determine whether to take any legal action concerning any infringement or claims and to control and direct any administrative proceeding or litigation involving the copyrighted materials or proprietary information. We will pay the cost of any litigation or administrative action for policing the copyrighted materials or proprietary information against infringement. We are not obligated, however, to institute legal or other action to protect you against claims arising from your use of the copyrighted materials or proprietary information. We need not participate in your defense nor indemnify you for expenses and damages if you are a party to any administrative or judicial proceeding involving the copyrighted materials or proprietary information. You may not take any legal action for infringement or unfair competition concerning the copyrighted materials or proprietary information without our consent. You must modify or discontinue using any copyrighted materials and proprietary information as we direct.

You and your related parties may not, during the or after the Franchise Agreement's term, disclose, copy, reproduce, sell or use in any other business or in any manner that we do not specifically authorize or approve in advance in writing, any Confidential Information. "Confidential Information" means the whole or any portion of (i) any know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the development or operation of a Buffalo Wild Wings Sports Bar that is valuable and secret in the sense that it is not generally known to our competitors; (ii) any proprietary information contained in the manuals or otherwise communicated to you in writing, verbally or through the internet or other online or computer communications, and any other knowledge or know-how concerning the methods

of operation of your Sports Bar, including the proprietary ingredients, sauces and mixes, secret formulas and recipes, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data; (iii) the names, contact information, ordering history and other personal information (excluding credit card data and other account data that you collect through the Sports Bar's POS system) of or relating to the Sports Bar's customers or prospective customers ; and (iv) any other information that we reasonably designate as confidential or proprietary. You and your related parties may not use Confidential Information for any purpose other than operating the Sports Bar. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from any persons owning a minority interest in you, the Principal Owners, the Unit General Manager and other key employees. Upon termination of your Franchise Agreement, you must return to us all proprietary information, including the manuals and all other copyrighted material.

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

During the term of the Franchise Agreement, you (if the franchisee is an individual) or your Control Person must personally participate in the direct operation of the Sports Bar and devote full time and best efforts to the management of the Sports Bar. Your "Control Person" is the individual who has the authority to (and does) actively direct your business affairs regarding the Sports Bar, is responsible for overseeing the general management of the Sports Bar, and has authority to sign all contracts.

You, your Control Person or a Unit General Manager must provide direct on-premises supervision to the Sports Bar. "Unit General Manager" means the individual who personally invests his or her full time and attention and devotes his or her best efforts to the on-premises general management of the day-to-day operations of the Sports Bar and meets our training requirements. You must have a Control Person and a Unit General Manager that meet our standards and qualifications at all times during the Franchise Agreement's term. Your Control Person and Unit General Manager must attend and successfully complete all required training. You must appoint the Unit General Manager at least 60 days before the Sports Bar first opens for business and ensure that the Unit General Manager is fully trained to our satisfaction at least 20 days before the Sports Bar first opens for business. In addition to the Control Person and your Unit General Manager, your Sports Bar must have at least 2 assistant managers at all times during the Franchise Agreement's term. They need not have any equity interest in you or in the Sports Bar. If any manager fails to satisfactorily complete the training program, you may designate a different individual, who must then satisfactorily complete the training program.

Your Control Person or another representative of the Sports Bar whom we approve must attend, at your expense, all annual franchise conferences we may hold or sponsor and all meetings relating to new products or product preparation procedures, new operational procedures or programs, training, restaurant management, sales or sales promotion, or similar topics that we periodically specify. You and/or your Control Person and other Sports Bar personnel must attend any additional meetings and training programs that we periodically deem appropriate.

We may require that you obtain nondisclosure and confidentiality agreements in a form acceptable to us from anyone owning a minority interest in you, the Principal Owners, the Unit General Manager and other key employees having access to our proprietary information. All Principal Owners and others that we may require must sign a personal guaranty related to financial obligations and personal covenants arising under your agreements with us.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale at the Sports Bar all of the Menu Items and food and beverage products that we periodically require and you may not offer at the Sports Bar any unapproved products or Menu Items or use the premises for any purpose other than the operation of a Sports Bar. We have the unlimited right to change the types of authorized products and services you may offer. You may install or maintain on the Sports Bar's premises only those games, vending machines, and other entertainment devices that we periodically specify or approve. You must comply with the maximum, minimum or other pricing policies and requirements that we periodically specify for Menu Items and other products and services that the Sports Bar offers and sells, including promotions, special offers and discounts in which some or all Buffalo Wild Wings Sports Bars participate, in each case to the maximum extent the law allows.

You may engage in catering and delivery from your Sports Bar only if you receive our written approval. To obtain written approval, you must use only the vendors and programs that we periodically specify or approve. All catering or delivery services from the Sports Bar must comply with our standards and specifications, as we periodically modify them. We may require you to offer catering and/or delivery services to customers from the Sports Bar. We also may revoke your ability to offer catering and delivery at any time.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

	Provision	Section in Agreement	Summary
a.	Length of the franchise term	Section 4.A Sections 2 and 4 and Appendix D to the Area Development Agreement	Term is 20 years. Term depends on the number of Sports Bars to be developed under the Area Development Agreement as specifically set forth in Appendix B.
b.	Renewal or extension of the term	Section 4.B	Renewal for one additional term of 10 years. No renewal rights under the Area Development Agreement.
c.	Requirements for franchisee to renew or extend	Section 4.B	You give us written notice of your decision to renew at least 6 months but not more than 12 months before the end of the expiring term; you sign our then-current form of franchise agreement; you have complied with the modernization requirements for your Sports Bar; you are not in default and have satisfied your obligations on a timely basis; if leasing, you have written proof of your ability to remain in possession of the Sports Bar premises throughout the renewal term; you comply with our training requirements; you pay us a \$20,000 renewal fee at time of franchise agreement execution; and you sign a release. If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially

	Provision	Section in Agreement	Summary
			different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d.	Termination by franchisee	Section 13.C	You may terminate the Franchise Agreement only for a material breach by us, provided you give us written notice of the breach and allow 30 days to cure such breach and, if not cured, wait 60 days from the original notice of breach before terminating the Franchise Agreement. You do not have the right to terminate the Area Development Agreement.
e.	Termination by franchisor without cause	Not Applicable	Not Applicable.
f.	Termination by franchisor with cause	Sections 2.A, 13.A and 13.B Section 8.B and 8.C of the Area Development Agreement	We can terminate the Franchise Agreement and the Area Development Agreement only if you default or fail to comply with your obligations. The Franchise Agreement and Area Development Agreement contain cross-default provisions.
g.	“Cause” defined – curable defaults	Sections 13.A and B Section 8.B of the Area Development Agreement	You have 10 days to cure the non-submission of reports and non-payment of amounts due and owing; and 30 days to cure defaults for the failure to abide by our standards and requirements in connection with the operation of your business, or failure to meet any requirements or specifications established by us, and any other default not listed in h below. You have 30 days to cure defaults not listed in h below.
h.	“Cause” defined – non-curable defaults	Sections 2.A, 2.C, 5.A, 5.B. and 13.B	Non-curable defaults include: any material misrepresentation or omission in your application for a franchise, abandonment, loss or revocation of liquor license (or multiple suspensions), loss of lease, failure to timely cure a default under the lease, loss of your right of possession or failure to relocate, closing of the Sports Bar, closing of the Sports Bar by the authorities for health or public safety reasons, unauthorized use of confidential information, insolvency or general assignment for the benefit of creditors, appointment of a receiver of your property, an action that infringes on or harms the goodwill associated with the Trademarks, a final judgment remains unsatisfied of record for 30 days or longer, execution is levied against your business or property, suit to foreclose any lien or mortgage against your premises or equipment is instituted against you and is not dismissed or in the process of being dismissed within 30 days, unapproved assignments or transfers, defaults that materially impair the goodwill associated with any of the Marks, criminal convictions, intentionally (or unintentionally in two or more occasions) understating or underreporting Gross Sales or other fees, multiple defaults, failure to identify an Authorized Location within 90 days from the date of the Franchise Agreement, failure to execute the lease or purchase agreement for your

	Provision	Section in Agreement	Summary
		Section 8.C of the Area Development Agreement	<p>Sports Bar within 120 days from the date of the Franchise Agreement, failure to start construction of your Sports Bar at least 150 days before the deadline to open if the Sports Bar will be a new free standing building or at least 120 prior days if the Sports Bar will be non-free standing or conversion of an existing free-standing building, failure to deliver to us, if requested, by the date you must begin construction copies of the loan documents and/or other documents showing that you have secured adequate financing to complete the construction of your Sports Bar by the date you are obligated to have your Sports Bar open, failure to correct all construction problems within 30 days from the date we deny our approval for opening your Sports Bars that your Sports Bar is strictly constructed according to the consented building plans, failure to open the Sports Bar on time, or failure to cure within 24 hours of notice a default which violates any health, safety or sanitation law or regulation or any system standard as to food handling, cleanliness, health or sanitation.</p> <p>Non-curable defaults include: any material misrepresentation or omission in your franchise application, unauthorized use of confidential information, criminal convictions, insolvency or general assignment for the benefit of creditors, appointment of a receiver of your property, an action that infringes on or harms the goodwill associated with the Trademarks, a final judgment remains unsatisfied of record for 30 days or longer, execution is levied against your business or property, suit to foreclose any lien or mortgage against your premises or equipment is instituted against you and is not dismissed or in the process of being dismissed within 30 days, failure to meet the Development Schedule, or notice of termination of a Franchise Agreement.</p>
i.	Franchisee's obligations on termination/non-renewal	<p>Section 14.A-B</p> <p>Section 9.A-E of the Area Development Agreement</p>	<p>Obligations include complete de-identification and payment of amounts due, assignment of lease upon our demand and telephone numbers, return of manuals and proprietary materials and right to purchase assets of the Sports Bar (also see o and r below).</p> <p>You lose all remaining rights to develop Sports Bars. Other obligations include those obligations noted above if existing Franchise Agreements also terminated, plus payment of liquidated damages (subject to state law). We also may have the right to purchase assets of the Sports Bar (also see o below).</p>
j.	Assignment of contract by franchisor	<p>Section 11.H</p> <p>Section 10.A of the Area Development Agreement</p>	No restriction on our right to assign.

	Provision	Section in Agreement	Summary
k.	“Transfer” by franchisee – defined	Section 11.A Section 10.B of the Area Development Agreement	Includes any transfer of your interest in the Franchise Agreement or in the business or any ownership change listed in Section 11.A of the Franchise Agreement and Section 10.B of the Area Development Agreement.
l.	Franchisor approval of transfer by franchisee	Section 11.B Section 10.B of the Area Development Agreement	We have the right to approve all transfers but will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Sections 11.B-D, G Section 10.B of the Area Development Agreement	Transferee meets all of our then current requirements for one of the franchise development programs then being offered, transfer fee paid, all amounts owed by prior franchisee paid, required modernization is completed, training completed, transferee executes then current form of franchise agreement (modified to reflect that agreement relates to a transfer), required guarantees signed, necessary financial reports and other data on franchise business is prepared, release signed by you, full compliance of your obligations under all Franchise Agreements and Area Development Agreements executed between you and us, and other conditions that we may reasonably require from time to time as part of our transfer policies (also see r below); provided that certain transfer conditions do not apply to transfers to immediate family members or among Principal Owners. You cannot transfer rights under the Area Development Agreement unless you (i) obtain our written consent; (ii) comply with all conditions and requirements for transfer under all Franchise Agreements signed pursuant to the Area Development Agreement; and (iii) transfer all of your rights and interests under all Franchise Agreements.
n.	Franchisor’s right of first refusal to acquire franchisee’s business	Section 11.F	We can match any offer for your Sports Bar assets and, in the case of a proposed stock sale, we can purchase your Sports Bar assets at a price determined by an appraiser, unless you and we agree otherwise.
o.	Franchisor’s option to purchase franchisee’s business	Section 14.B Section 9.D of the Area Development Agreement	Upon termination, we have the right to purchase or designate a third party that will purchase all or any portion of the assets of your Sports Bar, including the land, building, equipment, fixtures, signs, furnishings, supplies, leasehold improvements, liquor license and inventory. Qualified appraiser(s) will determine price as set forth in the Franchise Agreement. This right to purchase is qualified under the Area Development Agreement, depending on the number of Sports Bars in the Development Territory and the reason for the termination of the Area Development Agreement.
p.	Franchisee’s death or disability	Section 11.E	You can transfer your franchise right to your heir or successor in interest like any other transfer, but if assignee is your spouse or child, no transfer fee is required.

	Provision	Section in Agreement	Summary
q.	Non-competition covenants during the term of the franchise	Section 10.D	No owning interest in, performing services for or having any other involvement in any restaurant or other foodservice business (whether or not operating from a retail location) that (i) generates, or is reasonably expected to generate, at least 20% of its revenue during any 6-month period from the sale of chicken wings, chicken tenders or other chicken pieces, whether at wholesale or retail, (ii) serves draft beer from 15 or more taps, (iii) has more than 5 screens for television or gaming purposes, or that subscribes to or offers sports subscription programming other than customary cable or network programming (“Competitive Business”), wherever located, other than a BWW-GO Restaurant or a Buffalo Wild Wings Sports Bar.
r.	Non-competition covenants after the franchise is terminated or expires	Section 10.D	No direct or indirect involvement in a Competitive Business for 2 years (i) at the premises of the former Sports Bar, (ii) within 5 miles of the former Sports Bar, or (iii) within 5 miles of any other business or Sports Bar using the System.
s.	Modification of the agreement	Section 15.B Section 11.C of the Area Development Agreement	No modifications generally, but we have the right to change operations manual, list of authorized trademarks and menu.
t.	Integration/merger clause	Section 15.B Section 11.C of the Area Development Agreement	The Franchise Agreement, and/or the Area Development Agreement, as applicable, constitutes the entire agreement between us and you (subject to state law). Any other statements or promises not in the Franchise Agreement, Area Development Agreement, or this Disclosure Document should not be relied upon and may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Not applicable.	Not applicable.
v.	Choice of forum	Section 15.I Section 7.B of the Area Development Agreement	You must file litigation in the federal or state court of general jurisdiction located closest to our then current principal office (currently located in Atlanta, Georgia). We can file litigation in the federal or state court of general jurisdiction located closest to our then current principal office or in the jurisdiction where you reside or do business or where the Sports Bar is or was located, or where the claim arose (subject to state law).
w.	Choice of law	Section 12.A Section 7.A of the Area Development Agreement	Georgia law applies to all claims (subject to state law).

*Unless otherwise noted, Section references are to the Franchise Agreement.

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.

This Item 19 includes financial results from our “2022 Fiscal Year,” which is the period from January 3, 2022 through January 1, 2023 and our “2021 Fiscal Year,” which is the period from January 4, 2021 through January 2, 2022. We have not made permanent, material changes to our franchise concept as a result of the COVID-19 pandemic.

2022 Fiscal Year

There were 1,189 Buffalo Wild Wings Sports Bars operating as of the end of our 2022 Fiscal Year. We excluded from these financial performance representations (a) 11 sports bars that first opened for business during our 2022 Fiscal Year and did not operate for the full year, (b) 3 alternate format sports bars that our affiliates operate because they are not typical of the experience of other Buffalo Wild Wings Sports Bars, and (c) 2 sports bars that temporarily closed for significant periods during our 2022 Fiscal Year. We call the remaining 1,173 Buffalo Wild Wings Sports Bars the “2022 Sports Bars.” Our affiliates operated 652 of these sports bars and franchisees operated the other 521. Also excluded from the group of 2022 Sports Bars are 9 affiliate-owned sports bars and 9 franchised sports bars that closed during the 2022 Fiscal Year. All of those sports bars had operated for more than 12 months before they closed.

This first financial performance representation discloses the average annual Gross Sales, also called Average Unit Volume or “AUV,” during the 2022 Fiscal Year for the 2022 Sports Bars, separated by the type of location (inline, free-standing or end-cap). We included 2022 Sports Bars located in airports as “inline” sports bars. We also disclose the AUVs during the 2022 Fiscal Year for those 2022 Sports Bars in the top third, middle third and bottom third of AUVs for all 2022 Sports Bars.

Type of Sports Bar	# of Sports Bars	Average Unit Volume (AUV) for 2022 Fiscal Year							
		Average	Median	Highest	Lowest	#/% Above Average	Top 3rd	Middle 3rd	Bottom 3rd
Affiliate-Owned Inline	24	3,400,102	3,349,039	5,087,080	1,886,120	11 / 45.8%	4,430,766	3,281,870	2,487,669
Affiliate-Owned Free Standing	322	3,283,986	3,168,089	6,860,153	1,394,701	147 / 45.7%	4,320,970	3,177,456	2,343,842
Affiliate-Owned End-Cap	306	3,117,402	3,022,516	7,272,808	1,199,293	143 / 46.7%	4,080,506	3,046,345	2,225,356
Affiliate-Owned All Types	652	3,210,079	3,115,699	7,272,808	1,199,293	296 / 45.4%	4,216,359	3,119,422	2,289,818

Type of Sports Bar	# of Sports Bars	Average Unit Volume (AUV) for 2022 Fiscal Year							
		Average	Median	Highest	Lowest	#% Above Average	Top 3rd	Middle 3rd	Bottom 3rd
Franchised Inline	24	3,638,889	3,518,094	6,673,229	1,429,452	10 / 41.7%	5,093,632	3,460,048	2,362,987
Franchised Free Standing	279	3,475,473	3,405,908	7,590,007	1,500,603	132 / 47.3%	4,657,499	3,391,926	2,376,994
Franchised End-Cap	218	3,257,197	3,136,801	8,205,043	1,064,843	100 / 45.9%	4,473,364	3,134,834	2,161,716
Franchised All Types	521	3,391,668	3,306,274	8,205,043	1,064,843	243 / 46.6%	4,291,284	3,150,635	2,170,425
All 2022 Sports Bars	1,173	3,290,733	3,186,702	8,205,043	1,064,843	539 / 46%	4,388,626	3,196,127	2,284,397

2021 Fiscal Year

There were 1,196 Buffalo Wild Wings Sports Bars operating as of the end of our 2021 Fiscal Year. We excluded from these financial performance representations (a) 4 sports bars that first opened for business during our 2021 Fiscal Year and did not operate for the full year, (b) the 2 alternate format sports bars that our affiliates operate because they are not typical of the experience of other Buffalo Wild Wings Sports Bars, and (c) 3 franchised sports bars that temporarily closed for significant periods during our 2021 Fiscal Year. We call the remaining 1,187 Buffalo Wild Wings Sports Bars the “2021 Sports Bars.” Our affiliates operated 660 of these sports bars and franchisees operated the other 527. Also excluded from the group of 2021 Sports Bars are 3 affiliate-owned sports bars and 8 franchised sports bars that closed during the 2021 Fiscal Year. All of those sports bars had operated for more than 12 months before they closed.

This first financial performance representation discloses the average annual Gross Sales, also called Average Unit Volume or “AUV,” during the 2021 Fiscal Year for the 2021 Sports Bars, separated by the type of location (inline, free-standing or end-cap). We included 2021 Sports Bars located in airports as “inline” sports bars. We also disclose the AUVs during the 2021 Fiscal Year for those 2021 Sports Bars in the top third, middle third and bottom third of AUVs for all 2021 Sports Bars.

Type of Sports Bar	# of Sports Bars	Average Unit Volume (AUV) for 2021 Fiscal Year							
		Average	Median	Highest	Lowest	#% Above Average	Top 3rd	Middle 3rd	Bottom 3rd
Affiliate-Owned Inline	25	3,269,537	3,266,901	4,503,400	1,714,876	12 / 48%	4,115,587	3,215,448	2,371,821
Affiliate-Owned Free Standing	325	3,109,265	3,052,356	6,125,993	1,386,971	151 / 46.1%	4,009,448	3,041,649	2,268,362
Affiliate-Owned End-Cap	310	2,974,140	2,904,451	6,310,459	1,426,857	147 / 47.3%	3,852,385	2,915,255	2,146,254
Affiliate-Owned All Types	660	3,051,868	2,980,341	6,310,459	1,386,971	315 / 47.7%	3,954,716	2,995,696	2,213,108
Franchised Inline	25	3,423,105	3,349,652	5,293,152	1,668,571	12 / 48.0%	4,424,753	3,268,741	2,450,614
Franchised Free Standing	280	3,305,771	3,283,056	6,948,708	1,226,280	137 / 48.9%	4,379,900	3,245,159	2,280,703
Franchised End-Cap	222	3,046,342	3,024,974	6,967,834	1,141,665	109 / 49.1%	4,120,044	2,993,192	2,025,788
Franchised All Types	527	3,202,052	3,163,067	6,967,834	1,141,665	252 / 47.8%	4,291,284	3,150,635	2,170,425
All 2021 Sports Bars	1,187	3,118,546	3,061,956	6,967,834	1,141,665	567 / 47.8%	4,104,207	3,064,558	2,194,186

Comparison of 2021-2022 Fiscal Years

The following table shows the year-over-year increases or decreases (as applicable) for the annual AUVs of the 2021 Sports Bars and the 2022 Sports Bars for the 2022 Fiscal Year, using the figures from the tables listed above.

Type of Sports Bar	2021 Average Unit Volume (AUV)	2022 Average Unit Volume (AUV)	% Change 2022 Fiscal Year vs 2021 Fiscal Year
All Affiliate-Owned Sports Bars	3,051,868	3,210,079	5.2%
All Franchised Sports Bars	3,202,052	3,391,668	5.9%
All Sports Bars	3,118,546	3,290,733	5.5%

Notes

The 2022 Sports Bars range in size from 3,900 to 8,000 square feet, with an average of 6,000 square feet, although there are some atypical sports bars whose size fall outside this range. The 2022 Sports Bars had operated for an average of 11.6 years as of the end of the 2022 Fiscal Year. The 2021 Sports Bars range in size from 4,000 to 8,000 square feet, with an average of 6,100 square feet, although there are some atypical sports bars whose size fall outside this range. The 2021 Sports Bars had operated for an average of 10.8 years as of the end of the 2021 Fiscal Year. All of these sports bars offer essentially the same products and services, face the same kinds of competitive challenges, and receive the same level of support from us that we expect new franchisees will experience. These sorts of bars are located in various markets across the United States.

The term “Gross Sales” has the same meaning here as it does in Item 6, and includes the total revenues and receipts from the sale of all products, services and merchandise sold in or in relation to the Buffalo Wild Wings Sports Bar whether under any of the Trademarks or otherwise, including any cover charges or fees, fees or charges for any vending or similar activities or other equipment in the Buffalo Wild Wings Sports Bar or on its premises, fees or charges for any catering and other off-site activities and events, and all license and use fees. However, Gross Sales excludes sales taxes, promotions, voids and discounts.

We calculated the figures in the table above using information that our affiliates and franchisees provided. Prospective franchisees and sellers of franchises should be advised that no certified public accountant has audited these figures or expressed his or her opinion concerning their contents or form. Upon your reasonable request, we will provide written substantiation for these financial performance representations.

These financial performance representations do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the AUV figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Buffalo Wild Wings Sports Bar. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

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

Other than the preceding financial performance representations, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that 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 our Vice President, Franchise Counsel, Lisa Storey, Esq. at Three Glenlake Parkway NE, Atlanta, Georgia 30328 or (678) 514-6928, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary for Years 2020 to 2022

Outlet Type	Year	Outlets at the Start Of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets	2020	573	530	-43
	2021	530	534	+3
	2022	534	530	-4
Company-Owned	2020	638	673	+35
	2021	673	662	-11
	2022	662	659	-3
Total Outlets	2020	1211	1203	-8
	2021	1203	1196	-7
	2022	1196	1189	-7

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the Franchisor) for Years 2020 to 2022

State	Year	Number of Transfers
Alabama	2020	0
	2021	4
	2022	0
Arkansas	2020	0
	2021	3
	2022	1
Illinois	2020	7
	2021	0
	2022	3
Indiana	2020	4
	2021	0
	2022	0
Maine	2020	2
	2021	0
	2022	1
Michigan	2020	18
	2021	0
	2022	0

State	Year	Number of Transfers
Missouri	2020	15
	2021	1
	2022	5
Mississippi	2020	0
	2021	1
	2022	3
New Jersey	2020	0
	2021	0
	2022	6
New York	2020	0
	2021	0
	2022	1
North Carolina	2020	0
	2021	0
	2022	4
Ohio	2020	7
	2021	14
	2022	3
Oklahoma	2020	0
	2021	1
	2022	0
South Carolina	2020	0
	2021	0
	2022	1
Virginia	2020	0
	2021	3
	2022	0
West Virginia	2020	0
	2021	1
	2022	0
Total	2020	53
	2021	28
	2022	28

Table No. 3
Status of Franchised Outlets for Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Alabama	2020	15	1	0	0	0	0	16
	2021	16	0	0	0	0	0	16
	2022	16	3	0	0	0	0	19
Alaska	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Arizona	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6

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
Arkansas	2020	11	0	0	0	0	0	11
	2021	11	0	0	0	0	1	10
	2022	10	0	0	0	0	1	9
California	2020	36	1	0	0	0	0	37
	2021	37	0	0	0	0	1	36
	2022	36	0	0	0	0	1	35
Connecticut	2020	9	0	0	0	0	0	9
	2021	9	0	0	0	0	0	9
	2022	9	0	0	0	0	0	9
Delaware	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Florida	2020	24	0	0	0	17	2	5
	2021	5	10	0	0	2	0	13
	2022	13	0	0	0	0	0	13
Georgia	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
	2022	2	1	0	0	0	0	3
Illinois	2020	39	0	0	0	0	0	39
	2021	39	0	0	0	0	0	39
	2022	39	0	0	0	0	1	38
Indiana	2020	49	0	0	0	0	0	49
	2021	49	0	0	0	0	0	49
	2022	49	0	0	0	0	1	48
Iowa	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Kentucky	2020	5	0	0	0	0	1	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Louisiana	2020	17	0	0	0	0	0	17
	2021	17	1	0	0	0	1	17
	2022	17	0	0	0	0	1	16
Maine	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4

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
Maryland	2020	17	0	0	0	14	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Massachusetts	2020	6	0	0	0	5	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Michigan	2020	59	0	0	0	0	0	59
	2021	59	0	0	0	0	0	59
	2022	59	0	0	0	0	0	59
Minnesota	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
Mississippi	2020	11	0	0	0	0	0	11
	2021	11	0	0	0	0	0	11
	2022	11	0	0	0	0	0	11
Missouri	2020	22	0	0	0	0	0	22
	2021	22	0	0	0	0	1	21
	2022	21	0	0	0	0	0	21
Montana	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
Nebraska	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	2	0	0
New Hampshire	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	1	4
	2022	4	0	0	0	0	0	4
New Jersey	2020	13	0	0	0	0	0	13
	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	0	13
New York	2020	20	1	1	0	3	2	15
	2021	15	0	0	0	0	0	15
	2022	15	1	0	0	0	1	15
North Carolina	2020	8	0	0	0	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8

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
North Dakota	2020	8	0	0	0	0	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
Ohio	2020	60	0	0	0	0	0	60
	2021	60	1	0	0	0	1	60
	2022	60	0	0	0	0	0	60
Oklahoma	2020	20	0	0	0	0	0	20
	2021	20	0	0	0	0	1	19
	2022	19	0	0	0	0	0	19
Oregon	2020	11	0	0	0	0	0	11
	2021	11	0	0	0	0	1	10
	2022	10	0	0	0	0	0	10
Pennsylvania	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
South Carolina	2020	4	0	0	0	0	0	4
	2021	4	1	0	0	0	1	4
	2022	4	0	0	0	0	0	4
South Dakota	2020	6	1	0	1	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	0	6
Texas	2020	25	0	0	0	0	1	24
	2021	24	1	0	0	0	0	25
	2022	25	0	0	0	0	0	25
Vermont	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Virginia	2020	22	0	0	0	0	0	22
	2021	22	0	0	0	0	0	22
	2022	22	0	0	0	0	1	21
Washington	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3

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
West Virginia	2020	11	0	0	0	0	0	11
	2021	11	0	0	0	0	0	11
	2022	11	0	0	0	0	0	11
US Total	2020	573	4	1	1	39	6	530
	2021	530	15	0	0	2	9	534
	2022	534	5	0	0	2	7	530

**Table No. 4
Status of Company-Owned Outlets for Years 2020 to 2022**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Alabama	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
Arizona	2020	15	0	0	0	0	15
	2021	15	0	0	0	0	15
	2022	15	0	0	0	0	15
California	2020	55	2	0	0	0	57
	2021	57	0	0	0	0	57
	2022	57	1	0	0	0	58
Colorado	2020	22	0	0	0	0	22
	2021	22	0	0	0	0	22
	2022	22	1	0	0	0	23
Connecticut	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
District of Columbia	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Florida	2020	30	0	17	0	0	47
	2021	47	0	2	2	10	37
	2022	37	0	0	2	0	35
Georgia	2020	23	1	0	1	0	23
	2021	23	0	0	1	0	22
	2022	22	0	0	0	0	22

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Hawaii	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
Idaho	2020	8	0	0	0	0	8
	2021	8	0	0	0	0	8
	2022	8	0	0	0	0	8
Illinois	2020	33	0	0	0	0	33
	2021	33	0	0	0	0	33
	2022	33	0	0	0	0	33
Indiana	2020	7	0	0	0	0	7
	2021	7	0	0	0	0	7
	2022	7	0	0	0	0	7
Iowa	2020	18	0	0	0	0	18
	2021	18	0	0	0	0	18
	2022	18	0	0	0	0	18
Kansas	2020	14	0	0	0	0	14
	2021	14	0	0	0	0	14
	2022	14	0	0	0	0	14
Kentucky	2020	17	0	0	0	0	17
	2021	17	0	0	0	0	17
	2022	17	0	0	0	0	17
Maryland	2020	3	0	14	0	0	17
	2021	17	0	0	0	0	17
	2022	17	0	0	0	0	17
Massachusetts	2020	6	0	5	0	0	11
	2021	11	0	0	0	0	11
	2022	11	0	0	1	0	10
Minnesota	2020	25	0	0	0	0	25
	2021	25	0	0	0	0	25
	2022	25	0	0	0	0	25
Mississippi	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
Missouri	2020	8	0	0	0	0	8
	2021	8	0	0	0	0	8
	2022	8	0	0	0	0	8

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Nebraska	2020	9	0	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	0	2	0	0	11
Nevada	2020	12	0	0	0	0	12
	2021	12	0	0	0	0	12
	2022	12	0	0	0	0	12
New Jersey	2020	6	0	0	0	0	6
	2021	6	0	0	0	0	6
	2022	6	0	0	0	0	6
New Mexico	2020	13	0	0	0	0	13
	2021	13	0	0	0	0	13
	2022	13	0	0	0	0	13
New York	2020	19	0	3	1	0	15
	2021	15	2	0	1	0	16
	2022	16	0	0	0	0	16
North Carolina	2020	26	1	0	0	0	27
	2021	27	0	0	0	0	27
	2022	27	0	0	1	0	26
Ohio	2020	30	1	0	0	0	31
	2021	31	0	0	0	0	31
	2022	31	0	0	0	0	31
Pennsylvania	2020	28	1	0	0	0	29
	2021	29	0	0	0	0	29
	2022	29	0	0	0	0	29
Rhode Island	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
South Carolina	2020	11	0	0	0	0	11
	2021	11	0	0	0	0	11
	2022	11	0	0	0	0	11
Tennessee	2020	26	0	0	0	0	26
	2021	26	0	0	1	0	25
	2022	25	1	0	0	0	26
Texas	2020	76	0	0	0	0	76
	2021	76	0	0	0	0	76
	2022	76	1	0	0	0	77

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Utah	2020	10	0	0	0	0	10
	2021	10	0	0	0	0	10
	2022	10	0	0	0	0	10
Virginia	2020	23	0	0	0	0	23
	2021	23	0	0	0	0	23
	2022	23	0	0	1	0	22
Washington	2020	13	0	0	0	0	13
	2021	13	0	0	0	0	13
	2022	13	0	0	1	0	12
Wisconsin	2020	33	0	0	0	0	33
	2021	33	0	0	0	0	33
	2022	33	0	0	3	0	30
Wyoming	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
U.S. Only Total	2020	638	4	39	2	0	673
	2021	673	2	2	5	10	662
	2022	662	4	2	9	0	659

Table No. 5
Projected Openings as of January 1, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	3	1
California	0	0	1
Colorado	0	0	1
Delaware	1	1	0
Georgia	0	1	1
Florida	0	1	0
Indiana	0	1	0
Louisiana	0	1	0
Michigan	1	4	0
New Hampshire	1	0	0
Ohio	2	1	0
Oklahoma	1	1	0
South Carolina	0	1	0
Texas	2	3	1
Total	8	12	5

2022 numbers are from January 2, 2022 to January 1, 2023. 2021 numbers are from January 3, 2021 to January 2, 2022. 2020 numbers are from December 29, 2019 to January 3, 2021.

Exhibit E lists the names of our franchisees and the addresses and telephone numbers of their Buffalo Wild Wings Sports Bars as of January 1, 2023. Exhibit F lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of the 16 franchisees who had an outlet terminated, cancelled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 years, some franchisees have signed confidentiality agreements with us as part of our settlements of disputes with them. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Buffalo Wild Wings Sports Bar network. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We have one franchisee advisory council, the Buffalo Wild Wings Franchise Advisory Council (“FAC”). The FAC includes 7 franchisee members and meets regularly with our representatives to advise on general franchise issues. We created and sponsor the FAC and contact information for the FAC is the same as our contact information. The following independent franchisee association, which focuses on providing small business services to the Buffalo Wild Wings Sports Bar franchisees, has asked to be included in this disclosure document: Franchise Business Services, Inc. (“FBS”), Attn: Christy Williams, Executive Director, 1701 Barrett Lakes Blvd., NW, Suite 180, Kennesaw, GA 30144, 678-797-5160, email: christyw@myfbsonline.org, www.myfbsonline.org.

ITEM 21

FINANCIAL STATEMENTS

Exhibit B contains the audited consolidated financial statements of our Parent as of January 1, 2023 and January 2, 2022 and for the fiscal years ended January 1, 2023 and January 2, 2022. It also contains the audited consolidated financial statements of our Parent as of January 3, 2021 (Successor) and December 29, 2019 (Successor) and for the fiscal years ended January 3, 2021 (Successor) and December 29, 2019 (Successor), the Period from February 5, 2018 (date of acquisition) through December 30, 2018 (Successor) and the Period from January 1, 2018 through February 4, 2018 (Predecessor).

Our Parent absolutely and unconditionally guarantees the performance of our obligations to franchisees under the Franchise Agreement and Area Development Agreement. The Guarantee of Performance is included in Exhibit B.

ITEM 22

CONTRACTS

This Disclosure Document includes a sample of the following contracts:

- Exhibit C - Franchise Agreement
- Exhibit C-1 - Non-Traditional Rider
- Exhibit D - Area Development Agreement
- Exhibit G - Form Release Agreement

ITEM 23
RECEIPTS

Attached to this disclosure document as Exhibit I is a detachable acknowledgment of receipt.

**ADDENDA TO
BUFFALO WILD WINGS®
DISCLOSURE DOCUMENT**

The following are additional disclosures for the **BUFFALO WILD WINGS** Franchise Disclosure Document of **BUFFALO WILD WINGS INTERNATIONAL, INC.** as 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.

NO WAIVER OF 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 acknowledgment 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

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ADDENDUM TO
BUFFALO WILD WINGS®
DISCLOSURE DOCUMENT FOR THE
STATE OF CALIFORNIA

1. Item 21 of the Disclosure Document is modified to add the unaudited balance sheet of Buffalo Wild Wings International, Inc. as of January 1, 2023, its most recent fiscal year end, as follows:

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BUFFALO WILD WINGS INTERNATIONAL, INC.
BALANCE SHEETS
(In thousands)
(unaudited)

	<u>January 1, 2023</u>	<u>January 2, 2022</u>
ASSETS		
Accounts receivable	\$ 390,477	\$ 282,727
Total current assets	390,477	282,727
Deferred tax assets, net	—	1,533
Total assets	<u>\$ 390,477</u>	<u>\$ 284,260</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Accounts payable	\$ 232,770	\$ 168,969
Accrued income taxes	—	14,838
Deferred revenue	585	566
Total current liabilities	233,355	184,373
Deferred revenue	8,532	5,256
Other liabilities	2,791	12,185
Stockholder's equity:		
Common stock	—	—
Additional paid-in capital	34,719	34,719
Retained earnings	111,080	47,727
Total stockholder's equity	145,799	82,446
Total liabilities and stockholder's equity	<u>\$ 390,477</u>	<u>\$ 284,260</u>

ADDENDUM TO
BUFFALO WILD WINGS®
DISCLOSURE DOCUMENT FOR THE
STATE OF MARYLAND

1. The following language is added to the end of the “Summary” sections of Item 17(c), entitled Requirements for franchisee to renew or extend, and Item 17(m), entitled Conditions for franchisor approval of transfer:

Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

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

Termination upon insolvency might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.), but we will enforce it to the extent enforceable.

3. The following language is added to the end of the “Summary” section of Item 17(v), entitled Choice of forum:

Franchisee may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law to the extent required by the Maryland Franchise Registration and Disclosure Law, unless preempted by the Federal Arbitration Act.

4. The following language is added to the end of the “Summary” section of Item 17(w), entitled Choice of law:

; however, to the extent required by the Maryland Franchise Registration and Disclosure Law, you may bring an action in Maryland.

5. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

ADDENDUM TO
BUFFALO WILD WINGS®
DISCLOSURE DOCUMENT FOR THE
STATE OF MINNESOTA

The State Cover Page of the Disclosure Document and Item 17 of the Disclosure Document are modified by the addition of the following:

“Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. §80C. or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.”

“These franchises have been registered under the Minnesota Franchise Act. Registration does not constitute approval, recommendation or endorsement by the Commissioner of Commerce of Minnesota or a finding by the Commissioner that the information provided herein is true, complete and not misleading.”

“The Minnesota Franchise Act makes it unlawful to offer or sell any franchise in this state which is subject to registration without first providing to the franchisee, at least 7 days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least 7 days prior to the payment of any consideration by the franchisee, whichever occurs first, a copy of this Disclosure Document, together with a copy of all proposed agreements relating to the franchise. This Disclosure Document contains a summary only of certain material provisions of the franchise and area development agreement. The contract or agreement should be referred to for an understanding of all rights and obligations of both the franchisor and the franchisee.

Item 13 of the Disclosure Document, under the heading “Trademarks,” shall be supplemented by the addition of the following paragraph:

“The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee’s use of the franchisor’s trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee’s use of a franchisor’s trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim. You must cooperate in the defense in any reasonable manner we prescribe with any direct cost of such cooperation to be borne by us.”

The last paragraph of Item 17 of the Disclosure Document shall be supplemented by the addition of the following language:

“Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under

the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waiver compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void. Buffalo Wild Wings International, Inc. will comply with Minn. Stat. §80C.14, subds. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of for nonrenewal of the Franchise Agreement.”

“Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation or waiver that would relive any person from liability imposed by Minnesota Statutes §80C.01-80C.22.”

ADDENDUM TO
BUFFALO WILD WINGS®
DISCLOSURE DOCUMENT FOR THE
STATE OF NORTH DAKOTA

Item 17.

1. Covenants not to compete such as those mentioned in Item 17 may be subject to Section 9-08-06 of the North Dakota Century Code and unenforceable in the State of North Dakota if contrary to Section 9-08-06.

2. Notwithstanding anything contained in Paragraph 12 of the Franchise Agreement, any arbitration proceeding will take place in the city nearest to your Business in which the American Arbitration Association maintains an office and facility for arbitration, or at such other location as may be mutually agreed upon by the parties.

3. Any claims under the North Dakota Franchise Investment Law may be brought in the State of North Dakota.

4. The North Dakota Securities Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

5. You must sign a general release if you renew your franchise. This provision may be unenforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

**ASSURANCE OF DISCONTINUANCE
STATE OF WASHINGTON**

To resolve an investigation by the Washington Attorney General and without admitting any liability, we have entered into an Assurance of Discontinuance (“AOD”) with the State of Washington, where we have agreed to remove from our form franchise agreement a provision which restricts a franchisee from soliciting and/or hiring the employees of our other franchisees, which the Attorney General alleges violates Washington state and federal antitrust and unfair practices laws. We have agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to request that our Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify our franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against us.

EXHIBIT A

LIST OF STATE AGENCIES AND 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 the Department
of Financial Protection & Innovation:
Toll Free: 1 (866) 275-2677

Los Angeles

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

Sacramento

2101 Arena Boulevard
Sacramento, California 95834 (916) 445-7205

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(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 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

NEW YORK

(for service of process)

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

(Administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st 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, Suite 414
Bismarck, North Dakota 58505
(701) 328-4712

(state agency)

North Dakota Securities Department 600 East
Boulevard Avenue, Suite 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
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VIRGINIA

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Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
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State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219
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WASHINGTON

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

(for other matters)

Department of Financial Institutions
Securities Division
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Olympia, Washington 98501-9033
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WISCONSIN

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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

CONSOLIDATED FINANCIAL STATEMENTS

Buffalo Wild Wings, Inc. and Subsidiaries

(An Indirect Wholly-Owned Subsidiary of Inspire Brands, Inc.)

*Consolidated Financial Statements as of January 1, 2023 and January 2, 2022
and for the Years Ended January 1, 2023 and January 2, 2022 and
Independent Auditors' Report*

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
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KPMG LLP
Suite 2000
303 Peachtree Street, N.E.
Atlanta, GA 30308-3210

Independent Auditors' Report

The Board of Directors and Stockholder
Buffalo Wild Wings, Inc.:

Opinion

We have audited the consolidated financial statements of Buffalo Wild Wings, Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheets as of January 1, 2023 and January 2, 2022, and the related consolidated statements of operations and comprehensive income (loss), stockholder's equity, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 1, 2023 and January 2, 2022, and the results of its operations and its cash flows for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

KPMG LLP

Atlanta, Georgia
March 23, 2023

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	<u>January 1, 2023</u>	<u>January 2, 2022</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 7,671	\$ 8,026
Accounts receivable, net	84,588	109,149
Prepaid expenses and other current assets	31,760	29,217
Total current assets	<u>124,019</u>	<u>146,392</u>
Property and equipment, net	370,120	421,883
Goodwill	909,410	908,874
Intangible assets, net	1,367,242	1,539,834
Operating lease assets, net	439,301	443,808
Other assets	12,209	14,230
Total assets	<u>\$ 3,222,301</u>	<u>\$ 3,475,021</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 3,711	\$ 3,560
Current operating lease liabilities	86,324	84,308
Accounts payable	54,371	53,131
Other current liabilities	185,289	184,276
Total current liabilities	<u>329,695</u>	<u>325,275</u>
Long-term debt, net	14,282	17,863
Long-term operating lease liabilities	374,615	376,115
Deferred tax liabilities, net	295,776	349,459
Other liabilities	44,472	41,533
Commitments and contingencies (Note 8)		
Stockholder's equity:		
Common stock, \$0.01 par value; 1,000 authorized; 100 issued and outstanding as of January 1, 2023 and January 2, 2022	—	—
Additional paid-in capital	2,457,667	2,543,947
Accumulated deficit	(295,493)	(178,597)
Accumulated other comprehensive income (loss)	1,188	(678)
Total Buffalo Wild Wings, Inc. and Subsidiaries stockholder's equity	<u>2,163,362</u>	<u>2,364,672</u>
Noncontrolling interest	99	104
Total stockholder's equity	<u>2,163,461</u>	<u>2,364,776</u>
Total liabilities and stockholder's equity	<u>\$ 3,222,301</u>	<u>\$ 3,475,021</u>

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	Year Ended January 1, 2023	Year Ended January 2, 2022
Revenues:		
Company-owned restaurant sales	\$ 2,152,952	\$ 2,063,456
Franchise fees and royalty revenues	90,762	87,460
Franchise contributions for advertising	81,934	77,203
Other revenues	18,599	14,304
Total revenues	2,344,247	2,242,423
Costs and expenses:		
Company-owned restaurant expenses	1,870,686	1,762,730
Franchise advertising expenses	85,279	82,759
Selling, general and administrative expenses	208,423	222,324
Depreciation and amortization	145,915	122,624
Impairment charges	192,950	10,571
Total costs and expenses	2,503,253	2,201,008
Other operating loss, net	(3,965)	(2,251)
Operating income (loss)	(162,971)	39,164
Interest expense, net	1,768	1,948
Other income, net	(56)	(4)
Income (loss) before income taxes	(164,683)	37,220
Income tax benefit	(47,782)	(6,087)
Net income (loss)	(116,901)	43,307
Net income (loss) attributable to noncontrolling interest	(5)	74
Net income (loss) attributable to Buffalo Wild Wings, Inc. and Subsidiaries	\$ (116,896)	\$ 43,233

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Year Ended January 1, 2023	Year Ended January 2, 2022
Net income (loss)	\$ (116,901)	\$ 43,307
Other comprehensive income:		
Foreign currency translation adjustment, net of tax	1,866	50
Comprehensive income (loss)	\$ (115,035)	\$ 43,357
Comprehensive income (loss) attributable to noncontrolling interest	(5)	74
Comprehensive income (loss) attributable to Buffalo Wild Wings, Inc. and Subsidiaries	\$ (115,030)	\$ 43,283

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY
(In thousands, except share data)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Buffalo Wild Wings, Inc. and Subsidiaries Stockholder's Equity	Noncontrolling Interest	Total Stockholder's Equity
	Shares	Amount						
Balance at January 3, 2021	100	\$ —	\$ 2,586,131	\$ (173,227)	\$ (728)	\$ 2,412,176	\$ (1,366)	\$ 2,410,810
Impact of change in accounting policy	—	—	—	(5,370)	—	(5,370)	—	(5,370)
Balance at January 3, 2021	100	\$ —	\$ 2,586,131	\$ (178,597)	\$ (728)	\$ 2,406,806	\$ (1,366)	\$ 2,405,440
Net income	—	—	—	43,233	—	43,233	74	43,307
Other comprehensive income	—	—	—	—	50	50	—	50
Distributions to Parent, net	—	—	(42,184)	(41,457)	—	(83,641)	—	(83,641)
Other	—	—	—	(1,776)	—	(1,776)	1,396	(380)
Balance at January 2, 2022	100	\$ —	\$ 2,543,947	\$ (178,597)	\$ (678)	\$ 2,364,672	\$ 104	\$ 2,364,776
Net loss	—	—	—	(116,896)	—	(116,896)	(5)	(116,901)
Other comprehensive income	—	—	—	—	1,866	1,866	—	1,866
Distributions to Parent, net	—	—	(86,280)	—	—	(86,280)	—	(86,280)
Balance at January 1, 2023	100	\$ —	\$ 2,457,667	\$ (295,493)	\$ 1,188	\$ 2,163,362	\$ 99	\$ 2,163,461

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	<u>Year Ended January 1, 2023</u>	<u>Year Ended January 2, 2022</u>
Cash flows from operating activities:		
Net income (loss)	\$ (116,901)	\$ 43,307
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	145,915	122,624
Impairments	192,950	10,571
Loss on disposal of assets	2,614	2,319
Deferred income tax benefit	(53,684)	(6,528)
Provision for bad debt expense	1,102	2,174
Other, net	1,739	707
Changes in operating assets and liabilities:		
Accounts receivable, net	23,459	(36,126)
Prepaid expenses and other current assets	(728)	(1,939)
Operating lease assets and lease liabilities, net	(2,280)	9,424
Accounts payable	2,711	8,068
Other current and noncurrent liabilities	(2,610)	(11,447)
Net cash provided by operating activities	<u>194,288</u>	<u>143,154</u>
Cash flows from investing activities:		
Capital expenditures	(106,278)	(55,829)
Proceeds from disposition of assets	1,308	1,164
Net cash used in investing activities	<u>(104,970)</u>	<u>(54,665)</u>
Cash flows from financing activities:		
Debt repayments	(3,393)	(2,883)
Distributions to Parent, net	(86,280)	(83,641)
Net cash used in financing activities	<u>(89,673)</u>	<u>(86,524)</u>
Net increase (decrease) in cash and cash equivalents	(355)	1,965
Cash and cash equivalents at beginning of period	8,026	6,061
Cash and cash equivalents at end of period	<u>\$ 7,671</u>	<u>\$ 8,026</u>
Supplemental disclosures of non-cash investing and financing activities:		
Capital expenditures included in accounts payable	<u>\$ 4,269</u>	<u>\$ 8,592</u>

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS

Buffalo Wild Wings, Inc. (collectively, with its subsidiaries, “BWW” or the “Company”) is a wholly owned subsidiary of IRB Holding Corp. (“IRB” or “Parent”) whose ultimate parent is Inspire Brands, Inc. (“Inspire”). BWW restaurants feature a variety of menu items, including buffalo-style chicken wings spun in signature sauces or signature seasonings.

The Company operates through Company-owned and franchised Buffalo Wild Wings® restaurants. Because the Company’s restaurants and its franchised restaurants are generally located throughout the United States (“U.S.”), it believes the risk of geographic concentration is not significant.

The following table presents restaurant information by ownership type:

Unit Count	2022	2021
Company-owned	708	693
Franchised	597	631
Total System	<u>1,305</u>	<u>1,324</u>

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”). All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

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

Fiscal Year

The Company’s fiscal reporting periods consist of 52 or 53 weeks ending on the Sunday closest to December 31 and are referred to herein as (1) “the year ended January 1, 2023” or “2022” and (2) “the year ended January 2, 2022” or “2021.” The years 2022 and 2021 consisted of 52 weeks.

Cash Equivalents

All highly liquid investments with a maturity of three months or less when acquired are considered cash equivalents.

The Company believes that its vulnerability to risk concentrations in its cash equivalents is mitigated by its policies restricting the eligibility, credit quality and concentration limits for its placements in cash equivalents.

Accounts Receivable, net

Accounts receivable consists primarily of royalties and franchise fees due principally from franchisees, advertising dues, trade receivables, gift card receivables and credit card receivables. The Company monitors accounts receivable for delinquency and reserves for estimated losses for specific receivables that are not likely to be collected. In addition to allowances for specific receivables, the Company estimates a provision for bad debts based on historical experience. Account balances generally are charged against the allowance when the Company believes it is probable that the receivable will not be collected.

Property and Equipment, net

Property is stated at cost, including internal costs of employees to the extent such employees are dedicated to specific restaurant construction projects, less accumulated depreciation. Depreciation of property is computed principally on the straight-line basis using estimated useful lives of the related major classes of property. Estimated useful lives are 3 to 15

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

years for office and restaurant equipment, 3 to 5 years for transportation equipment and 7 to 25 years for site improvements. Finance lease assets and leasehold improvements are amortized and depreciated over the shorter of their estimated useful lives or the terms of the respective leases, including periods covered by renewal options that the Company is reasonably assured of exercising.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed. The Company tests goodwill by reporting unit for impairment annually during the fourth quarter, or more frequently if events or changes in circumstances indicate that it may be impaired.

The Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the qualitative factors indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company performs a quantitative impairment test of goodwill. The Company estimates the fair value of the reporting unit using an income approach through a discounted cash flow analysis using unobservable inputs and relevant data from the guideline transaction approach and guideline public companies market approach. Significant assumptions and estimates used in determining fair value include future revenues and cash flows, terminal value, a discount rate that approximates the reporting unit's weighted average cost of capital and a selection of multiples for comparable publicly traded companies as guidelines for determining fair value under the market approach.

During 2022 and 2021, the Company completed its impairment test for goodwill and no impairment was indicated.

Indefinite-lived Intangibles and Other Definite-lived Assets

Indefinite-lived intangibles

The Company reviews its indefinite-lived intangible asset for impairment at least annually during the fourth quarter and more frequently if events or changes in circumstances indicate that the carrying amount of the indefinite-lived intangible asset may not be recoverable. The Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount. If the qualitative factors indicate that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount, the Company performs a quantitative impairment test. If such reviews indicate the intangible asset may not be recoverable, an impairment loss is recognized for the excess of the carrying amount over the fair value of the intangible asset.

The Company uses the relief from royalty method to determine the fair value of its trademark/trade name. Significant assumptions and estimates used in determining fair value include future revenues, the royalty rate, terminal value, and a discount rate.

During 2022, the Company recorded a non-cash impairment charge to the BWW trademark/trade name of \$170.0 million due to a decrease in future expected cash flows. During the year 2021, no impairment was indicated.

Definite-lived assets

Definite-lived intangible assets are amortized on a straight-line basis using estimated useful lives of the related classes of intangible assets.

The Company reviews definite-lived assets, including operating lease assets, property and equipment, and allocated intangible assets subject to amortization, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. The asset groups are not recoverable if their carrying value is less than the undiscounted cash flows we expect to generate from such asset groups. If the asset groups are not deemed to be recoverable, impairment is measured based on the excess of their carrying value over their fair value.

For the purposes of impairment testing for our Company-owned restaurants, we review our definite-lived assets of such individual restaurants (primarily property and equipment and operating lease assets) that we intend to continue operating for impairment whenever events or changes in circumstances indicate that the carrying amount of a restaurant may not be recoverable. We evaluate the recoverability of these restaurant assets by comparing the estimated undiscounted future cash flows over the remaining useful life of the primary asset, which are based on our restaurant-specific assumptions, to the

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

carrying value of such assets. For restaurant assets that may not be recoverable, an impairment loss is recognized for the excess of the carrying amount over the fair value. Fair value is an estimate of the price a market participant would pay for the restaurant and its related assets, including any operating lease assets, and is determined by discounting the estimated future cash flows of the restaurant, which include a deduction for royalties we would receive under a franchise agreement with terms substantially at market. The cash flows incorporate reasonable assumptions we believe a franchisee would make such as sales growth and margin improvement. The discount rate used in the fair value calculation is our estimate of the required rate of return that a franchisee would expect to receive when purchasing a similar restaurant and the related definite-lived assets. The discount rate incorporates rates of returns for historical refranchising market transactions and is commensurate with the risks and uncertainty inherent in the forecasted cash flows.

Management judgment is necessary to estimate future cash flows, including cash flows from continuing use, terminal value, sublease income and refranchising proceeds. Accordingly, actual results could vary significantly from our estimates.

For the years ended January 1, 2023 and January 2, 2022, the Company recorded impairment charges of operating lease assets and other definite-lived assets for our restaurants of \$23.0 million and \$10.6 million, respectively. The impairment charges were recorded within "Impairment charges" on the Company's consolidated statements of operations.

Income Taxes

The Company is included in the consolidated U.S. federal and certain state income tax returns of Inspire. The Company provides for U.S. federal income tax in accordance with a formal tax sharing agreement between Inspire and its subsidiaries (the "Tax Sharing Agreement"). By providing for taxes in accordance with the Tax Sharing Agreement, the Company has prepared its income tax provision under the pro rata method by recording the Company's relative contribution to the Inspire consolidated income tax provision. The Company makes tax payments directly to certain state governmental jurisdictions for only itself. Differences between the Company's income tax provision and cash flows attributable to income taxes pursuant to the provisions of the Company's Tax Sharing Agreement have been recognized as contributions from and distributions to Parent. Current amounts due to or from IRB or affiliates are included in "Other current liabilities" or "Accounts receivable, net", respectively.

The Company records income tax liabilities based on known obligations and estimates of potential obligations. A deferred tax asset or liability is recognized whenever there are (i) future tax effects from temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases or (ii) operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to the years in which those differences are expected to be recovered or settled. Deferred tax assets related to U.S. federal and state attributes are measured based on the Company's relative contribution to the Inspire consolidated deferred tax assets in accordance with the Tax Sharing Agreement. When considered necessary, the Company records a valuation allowance to reduce the carrying amount of deferred tax assets if it is more likely than not that all or a portion of the assets will not be realized on the Inspire consolidated federal tax return.

The Company applies a recognition threshold and measurement attribute for consolidated financial statement recognition and measurement of potential tax benefits associated with tax positions taken or expected to be taken in the Company's income tax returns ("Uncertain Tax Positions"). The Company uses a two-step process when evaluating tax positions. The Company first determines if it is more likely than not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. A tax position that meets the more likely than not recognition threshold is then measured for purposes of consolidated financial statement recognition as the largest amount of benefit that is greater than 50% likely of being realized once the position is considered effectively settled.

Interest and penalties accrued for Uncertain Tax Positions are charged to "Income tax benefit."

Foreign Currency

The Company's reporting currency is the U.S. dollar, while the functional currency of its Canadian operations is the Canadian dollar. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange on the balance sheet date. Revenues, costs and expenses and cash flows are translated using the average exchange rate for the period.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Revenue Recognition

Revenue is recognized in accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation.

Company-owned restaurant sales

“Company-owned restaurant sales” includes revenues recognized when the performance obligation is satisfied, which occurs upon delivery of food to the customer at Company-owned restaurants. “Company-owned restaurant sales” excludes sales taxes collected from the Company’s customers.

Franchise fees and royalty revenues

“Franchise fees and royalty revenues” include franchise fees and royalties. The rights and obligations governing franchised restaurants are set forth in the franchise agreement. The franchise agreement generally provides for a 10 to 20-year initial term subject to certain conditions. Prior to the end of the franchise term or as otherwise provided the Company, a franchisee may elect to renew the term of a franchise agreement, depending on contract terms if certain conditions are met.

Royalties from franchised restaurants are based on a percentage of net sales of the franchised restaurant and are recognized as earned. Initial franchise fees are recorded within "Other current liabilities" and "Other liabilities" on the Company's consolidated balance sheets when received and recognized as revenue over the contractual term of the franchise agreement, once a franchised restaurant is opened. Renewal franchise fees are recognized as revenue over the contractual term of the franchise agreement, once the license agreement is signed and the fee is paid. Franchise commitment fee deposits are forfeited and recognized as revenue upon the termination of the related commitments to open new franchised restaurants.

Franchise contributions for advertising

"Franchise contributions for advertising" include contributions to advertising funds by franchisees that the Company's subsidiaries manage in the United States and certain foreign markets. The Company acts as a principal in the transactions entered into by the advertising funds and therefore consolidates based on the nature of the goods or services provided and/or our commitment to pay for advertising services in advance of the related franchisee contributions. Additionally, the advertising services provided to franchisees are highly interrelated with the franchise right and therefore not distinct. Franchisees remit to these consolidated advertising funds a percentage of restaurant sales as consideration for providing the advertising services. Contributions to advertising funds are generally due within the month after which the revenue was generated through sales of the franchised restaurant. Revenue related to these contributions is based on a percentage of restaurant sales and is recognized as earned.

Advertising Costs

Production costs of commercials are expensed in the fiscal period the advertising is first aired while the costs of programming and other advertising, promotion and marketing programs are expensed as incurred. Company-owned restaurants, consistent with franchisees, are required to make contributions to advertising funds. Contributions are based on a percentage of sales of Company-owned restaurants. These contributions as well as direct marketing costs we may incur outside of the advertising funds related to Company-owned restaurants are recorded within "Company-owned restaurant expenses." The Company-owned advertising expenses for the years ended January 1, 2023 and January 2, 2022 were \$76.3 million and \$81.6 million, respectively. Advertising expenses as a result of our obligation to spend franchisee contributions to those funds are recorded as "Franchise advertising expenses." Beginning in 2021, at the end of each fiscal year, additional advertising costs are accrued to the extent advertising revenues exceed the related advertising expense to-date, as the Company is obligated to expend such amounts on advertising. This policy has been retrospectively applied to 2020 and results in a decrease to "Total stockholder's equity" as of January 3, 2021 of \$5.4 million. This is reflected as an "Impact of change in accounting policy" in the Company's consolidated statements of stockholder's equity.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Leases

The Company evaluates the contracts it enters into to determine whether such contracts contain leases. A contract contains a lease if the contract conveys the right to control the use of identified property or equipment for a period of time in exchange for consideration. At commencement, contracts containing a lease are further evaluated for classification as an operating or finance lease where the Company is a lessee, or as an operating, sales type or direct financing lease where the Company is a lessor, based on their terms.

Management makes certain estimates and assumptions regarding each new lease and sublease agreement, renewal and amendment, including, but not limited to, property values, market rents, property lives, discount rates and probable term, all of which can impact the classification of and accounting for the Company's leases. The amount of depreciation and amortization, interest and rent expense and income reported would vary if different estimates and assumptions were used.

Operating Leases

Operating lease assets and liabilities are recognized upon lease commencement. The Company recognizes operating lease liabilities equal to the future unpaid lease payments for non-cancelable operating leases having an initial lease term in excess of one year, discounted by the Company's incremental borrowing rate. As most leases do not provide an implicit discount rate, the Company's incremental secured borrowing rate is used based on the information available at commencement date, including the lease term and market data, in determining the present value of lease payments.

Minimum lease payments or receipts, including minimum scheduled rent increases, are recognized as rent expense where the Company is a lessee, or income where the Company is a lessor, as applicable, on a straight-line basis over the applicable lease terms. There is a period under certain lease agreements referred to as a rent holiday that generally begins on the possession date and ends on the rent commencement date. During a rent holiday, no cash rent payments are typically due under the terms of the lease; however, expense is recorded for that period on a straight-line basis. Certain leases contain provisions, referred to as contingent rent, that require additional rental payments based upon restaurant sales volume. Contingent rent is recognized each period as the liability is incurred or the asset is earned.

Lease cost for operating leases is recognized on a straight-line basis and includes the amortization of the right of use ("ROU") asset and interest expense related to the operating lease liability. Variable lease cost for operating leases includes contingent rent. Leases with an initial term of 12 months or less are not recorded in the consolidated balance sheets. Lease costs are recorded in the consolidated statements of operations based on the nature of the underlying lease as follows: (1) rental expense related to leases for Company-operated restaurants is recorded to "Company-owned restaurant expenses" and (2) rental expense related to leases for corporate offices and equipment is recorded to "Selling, general and administrative expenses."

Finance Leases

Amounts of finance leases are recognized based on the present value of lease payments over the lease term. Lease cost for finance leases includes the amortization of the finance lease asset, which is amortized on a straight-line basis and recorded to "Depreciation and amortization," and interest expense on the finance lease liability, which is calculated using the effective interest method and recorded to "Interest expense." Finance lease assets are amortized over the shorter of their estimated useful lives or the terms of the respective leases, including periods covered by renewal options that the Company is reasonably assured of exercising.

Policy elections

Non-lease component - The Company has lease agreements with lease and non-lease components. The Company elected the practical expedient to not separate nonlease components from lease components for all classes of underlying assets.

Fair Value Measurements

The Company's financial instruments include cash, cash equivalents, accounts receivable, accounts payable and finance leases. The fair value of cash, cash equivalents, accounts receivable and accounts payable approximates book value due to their short-term nature. The carrying value of Goodwill and Indefinite-lived intangible assets are tested annually for impairment or more frequently if an event occurs that indicates an impairment may have been incurred, using fair value measurements with unobservable inputs when a quantitative assessment is performed. Asset groups containing other

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

definite-lived assets are tested for impairment if an event occurs that indicates an impairment may have been incurred, using fair value measurements with unobservable inputs. The Company has not changed the valuation techniques used in measuring the fair value of any financial assets or liabilities during the current year.

For certain of the Company's assets and liabilities, valuation techniques under the accounting guidance related to fair value measurements are based on observable and unobservable inputs if a quantitative impairment testing approach is taken. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect the Company's market assumptions. These inputs are classified into the following hierarchy:

Level 1 Inputs: Quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active, and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 Inputs: Pricing inputs are unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the assets or liabilities. The inputs into the determination of fair value require significant management judgment or estimation.

Contributions from and Distributions to Parent

Contributions from and distributions to Parent principally result from transactions with the Parent conducted in accordance with Inspire's centralized cash management policy. Such amounts are not expected to be repaid. The Company presents contributions from and distributions to Parent on a net basis on the consolidated statements of stockholder's equity. The net distributions in a year are first recorded to "Retained earnings", if any, until the cumulative retained earnings balance is reduced to zero. Any remaining distributions in a year are then recorded to "Additional paid-in capital," if any, until the cumulative "Additional paid-in capital" balance is reduced to zero and are then subsequently recorded to "Accumulated deficit." The net contributions in a year are recorded to "Additional paid-in capital." The Company presents contributions from and distributions to Parent on a net basis as a financing activity on the consolidated statements of cash flows.

Out-of-Period Adjustments

The Company recorded an after-tax charge of \$17.4 million in its consolidated statement of operations for the year ended January 1, 2023 reflecting the cumulative impact of prior period errors identified and corrected during 2022. The prior period errors were primarily associated with the estimated useful lives of certain leasehold improvements that extended beyond the terms of the respective leases. Based on an analysis of qualitative and quantitative factors, the Company concluded that the cumulative impact of these errors was not material to any of the Company's previously issued consolidated financial statements.

Subsequent Events

In preparing the consolidated financial statements, the Company has reviewed and considered all significant events occurring subsequent to January 1, 2023 and up until March 23, 2023, the date the consolidated financial statements were available to be issued.

New Accounting Pronouncements Not Yet Adopted

Credit Losses (ASU 2016-13)

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-13, "*Financial Instruments - Credit Losses (Topic 326)*", which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. The new guidance has replaced the incurred loss methodology of recognizing credit losses on financial instruments with a methodology that estimates the expected credit loss on financial instruments and reflects the net amount expected to be collected on the financial instrument. The standard is effective for the Company in its first quarter of fiscal 2023 and any impact upon adoption will be reflected retrospectively. The Company does not expect this pronouncement will have a material impact on its consolidated financial statements and related disclosures.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Reference Rate Reform (ASU 2020-04)

In March 2020, the FASB issued ASU 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting” (“ASU 2020-04”). In January 2021, the FASB clarified the scope of this guidance with the issuance of ASU 2021-01, *Reference Rate Reform: Scope*. ASU 2020-04 provides optional expedients and exceptions for applying U.S. GAAP for contracts, hedging relationships and other transactions that reference the London Interbank Offered Rate (“LIBOR”) or another reference rate if certain criteria are met. ASU 2020-04 may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2024. The Company is currently evaluating the potential effects of the adoption of ASU 2020-04.

3. SUPPLEMENTAL BALANCE SHEET INFORMATION

Accounts receivable, net consists of the following:

<i>(dollars in thousands)</i>	2022	2021
Third party delivery receivables	\$ 5,475	\$ 4,558
Gift card receivables	32,668	34,036
Card receivables	23,721	19,195
Income taxes receivable	—	32,274
Other	22,900	19,220
Accounts receivable, gross	84,764	109,283
Allowance for doubtful accounts	(176)	(134)
Total	<u>\$ 84,588</u>	<u>\$ 109,149</u>

Prepaid expenses and other current assets consist of the following:

<i>(dollars in thousands)</i>	2022	2021
Inventories	\$ 16,733	\$ 16,091
Prepaid income taxes	—	2,974
Other prepaid expenses	10,161	6,993
Other current assets	4,866	3,159
Total	<u>\$ 31,760</u>	<u>\$ 29,217</u>

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Property and equipment, net consists of the following:

<i>(dollars in thousands)</i>	2022	2021
Owned:		
Land	\$ 2,602	\$ 2,602
Buildings	3,186	2,466
Restaurant and other equipment	394,920	336,939
Leasehold improvements	538,283	502,703
Construction in progress	17,179	13,848
Leased:		
Finance lease assets	22,772	23,531
Total property and equipment, gross	978,942	882,089
Accumulated depreciation and amortization ^(a)	(608,822)	(460,206)
Total	<u>\$ 370,120</u>	<u>\$ 421,883</u>

(a) Includes \$11.8 million and \$9.5 million of accumulated amortization related to finance lease assets as of January 1, 2023 and January 2, 2022, respectively. Depreciation expense was \$140.2 million and \$113.9 million for the year ended January 1, 2023 and January 2, 2022, respectively.

Other current liabilities consisted of the following:

<i>(dollars in thousands)</i>	2022	2021
Gift card liability	\$ 78,520	\$ 76,971
Accrued payroll and incentive compensation	35,463	37,214
Other accrued taxes	16,447	15,759
Current portion of deferred revenue	16,308	12,703
Other	38,551	41,629
Total	<u>\$ 185,289</u>	<u>\$ 184,276</u>

4. GOODWILL AND INTANGIBLE ASSETS, NET

Goodwill consists of the following:

<i>(dollars in thousands)</i>	2022	2021
Balance at beginning of year	\$ 908,874	\$ 908,874
Restaurants acquired from franchisees	536	—
Balance at end of year	<u>\$ 909,410</u>	<u>\$ 908,874</u>

Trademark/trade name consists of the following:

<i>(dollars in thousands)</i>	2022	2021
Balance at beginning of year	\$ 1,510,000	\$ 1,510,000
Impairment charge	(170,000)	—
Balance at end of period ^(a)	<u>\$ 1,340,000</u>	<u>\$ 1,510,000</u>

(a) Trademark/trade name balance is net of accumulated impairment charges of \$420.0 million and \$250.0 million as of January 1, 2023 and January 2, 2022, respectively.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The carrying value of the Company's other intangible assets consists of the following:

		<u>2022</u>		
		Gross		
<i>(dollars in thousands)</i>	Estimated useful life	Carrying Amount	Accumulated Amortization	Net
Computer software	1 - 7 years	\$ 36,234	\$ (27,619)	\$ 8,615
Franchise agreements	10 - 20 years	9,000	(3,623)	5,377
Reacquired franchise rights	(a)	17,215	(3,965)	13,250
Intangible assets		<u>\$ 62,449</u>	<u>\$ (35,207)</u>	<u>\$ 27,242</u>

		<u>2021</u>		
		Gross		
<i>(dollars in thousands)</i>	Estimated useful life	Carrying Amount	Accumulated Amortization	Net
Computer software	1 - 7 years	\$ 34,371	\$ (24,260)	\$ 10,111
Franchise agreements	10 - 20 years	9,000	(2,857)	6,143
Reacquired franchise rights	(a)	16,203	(2,623)	13,580
Intangible assets		<u>\$ 59,574</u>	<u>\$ (29,740)</u>	<u>\$ 29,834</u>

(a) Estimated useful lives are based on the remaining license terms on acquired agreements at the time of acquisition.

<i>(dollars in thousands)</i>	Total
Aggregate amortization expense:	
Actual for fiscal year:	
2021	\$ 8,762
2022	5,759
Estimate for fiscal year:	
2023	4,746
2024	5,050
2025	4,337
2026	2,673
2027	1,857
Thereafter	8,579
	<u>\$ 27,242</u>

5. LEASES

The Company is party as a lessee and/or lessor to various leases for restaurants and other property, including land and buildings, as well as leases for office equipment and automobiles. In addition, the Company has leased and subleased land and buildings to others.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Included in the Company's consolidated balance sheets were the following amounts related to operating and finance lease assets and lease liabilities:

(dollars in thousands)

Leases	Classification	2022	2021
Assets			
Operating lease assets	Operating lease assets, net	\$ 439,301	\$ 443,808
Finance lease assets	Property and equipment, net	10,938	14,030
Total leased assets		\$ 450,239	\$ 457,838
Liabilities			
Current			
Operating	Current operating lease liabilities	\$ 86,324	\$ 84,308
Finance	Current portion of long-term debt	3,389	3,560
Noncurrent			
Operating	Long-term operating lease liabilities	374,615	376,115
Finance	Long-term debt, net	13,832	17,863
Total lease liabilities		\$ 478,160	\$ 481,846

(dollars in thousands)

Lease Cost	Classification	2022	2021
Operating lease cost ^(a)	Company-owned restaurant expenses	\$ 109,666	\$ 107,972
Finance lease cost			
Amortization of leased assets	Depreciation and amortization	2,663	4,483
Interest on lease liabilities	Interest expense, net	1,785	1,963
Rental and sublease income	Other revenues ^(b)	(2,429)	(607)
Net lease cost		\$ 111,684	\$ 113,811

(a) Includes an immaterial amount classified as "Selling, general and administrative expenses." Additionally, includes short-term leases and variable lease costs, which are immaterial.

(b) Rental and sublease income related to variable lease payments was immaterial for 2022 and 2021.

Future lease commitments to be paid and received by the Company are as follows:

Fiscal Year	Payments		Receipts	
	Operating	Finance	Operating	Net Leases
2023	\$ 105,875	\$ 5,080	\$ (2,473)	\$ 108,482
2024	96,307	4,402	(2,294)	98,415
2025	83,648	3,797	(1,662)	85,783
2026	67,502	2,750	(1,095)	69,157
2027	52,271	1,897	(792)	53,376
Thereafter	141,621	5,248	(1,168)	145,701
Total	\$ 547,224	\$ 23,174	\$ (9,484)	\$ 560,914
Less interest	(86,285)	(5,953)		
Present value of lease liabilities	\$ 460,939	\$ 17,221		

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Lease Term and Discount Rate	2022	2021
Weighted-average remaining lease term (years)		
Operating leases	6.69	6.82
Finance leases	5.74	6.46
Weighted-average discount rate		
Operating leases	5.03 %	4.89 %
Finance leases	9.99 %	10.57 %

(dollars in thousands)

Other Information	2022	2021
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 106,416	\$ 103,881
Operating cash flows from finance leases	\$ 1,787	\$ 1,902
Financing cash flows from finance leases	\$ 3,479	\$ 2,883
Supplemental non-cash information on lease liabilities arising from obtaining ROU assets:		
ROU assets obtained in exchange for new operating leases liabilities	\$ 82,967	\$ 53,477

6. REVENUE RECOGNITION

As of January 1, 2023, January 2, 2022 and January 3, 2021, contract liabilities (deferred revenue included in "Other current liabilities" and "Other liabilities") were \$7.8 million, \$6.6 million and \$10.1 million, respectively. Deferred revenue primarily represents the Company's remaining performance obligations under its franchise and license agreements for which consideration has been received or is receivable and is generally recognized on a straight-line basis over the remaining term of the related agreement. The Company recognized \$0.9 million, \$1.1 million and \$1.5 million of revenues associated with prior year deferred franchise fees for the years ended January 1, 2023, January 2, 2022 and January 3, 2021, respectively, offset by cash payments received or due in advance of satisfying our performance obligations.

The following table reflects the estimated franchise fees to be recognized in the future related to performance obligations that are unsatisfied at the end of the period:

Fiscal Year <i>(dollars in thousands)</i>	Total
2023	\$ 589
2024	549
2025	516
2026	469
2027	424
Thereafter	5,267
Total	\$ 7,813

7. INCOME TAXES

Income (loss) before income taxes is set forth below:

<i>(dollars in thousands)</i>	Year Ended January 1, 2023	Year Ended January 2, 2022
Domestic	\$ (159,260)	\$ 37,435
Foreign	(5,423)	(215)
Income / (loss) before income taxes	<u>\$ (164,683)</u>	<u>\$ 37,220</u>

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Income tax expense / (benefit) is set forth below:

<i>(dollars in thousands)</i>	Year Ended January 1, 2023	Year Ended January 2, 2022
Federal	\$ 1,554	\$ (5,019)
State	4,348	5,460
Current tax expense	5,902	441
Federal	(43,410)	(5,314)
State	(10,274)	(1,214)
Deferred tax benefit	(53,684)	(6,528)
Income tax benefit	<u>\$ (47,782)</u>	<u>\$ (6,087)</u>

The Company's effective tax rate for the years ended January 1, 2023 and January 2, 2022 was 29.0% and (16.4)%, respectively. The effective tax rate differs from the U.S. federal statutory rate as follows:

	2022	2021
U.S. federal statutory rate	21.0 %	21.0 %
State income taxes	2.8	9.2
U.S. federal tax credits	6.8	(32.6)
Prior year adjustments	(0.8)	(1.8)
Federal uncertain tax positions	—	(12.9)
Other	(0.8)	0.7
Effective tax rate	<u>29.0 %</u>	<u>(16.4)%</u>

Deferred tax assets (liabilities) are set forth below:

<i>(dollars in thousands)</i>	2022	2021
Deferred tax assets:		
Operating lease liabilities	\$ 114,616	\$ 115,052
Franchise rights	13,485	15,910
Net operating loss and tax credit carryforwards	9,649	11,346
Other	34,907	36,102
Gross deferred tax assets	172,657	178,410
Valuation allowance	(12,419)	(11,285)
Total deferred tax assets	160,238	\$ 167,125
Deferred tax liabilities:		
Intangible asset - trademark/trade name	(324,464)	(367,060)
Operating lease assets	(108,815)	(110,298)
Property and equipment	(11,625)	(28,711)
Other	(11,110)	(10,515)
Total deferred tax liabilities	(456,014)	(516,584)
Deferred tax liabilities, net	<u>\$ (295,776)</u>	<u>\$ (349,459)</u>

Operating loss and tax credit carryforwards primarily consist of Canadian net operating losses that are fully valued and net operating losses and credits related to various U.S. state jurisdictions that expire between 2023-2042. There is an immaterial amount of state net operating losses that have no expiration.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods for which the deferred tax assets are deductible, management believes, as of January 1, 2023, with the exception of certain state and foreign net operating loss and credit carryforwards for which valuation allowances have been recorded, it is more likely than not that the Company will realize the benefits of the deferred tax assets. The net change in the total valuation allowance was an increase of \$0.9 million in 2022 primarily due to the impairment of Canadian fixed assets at an entity in a full valuation position.

The U.S. federal income tax returns for all years ended through December 25, 2016 and the fiscal years ended February 4, 2018 and December 30, 2018 are settled. The U.S. federal income tax returns for the periods ended December 31, 2017, December 29, 2019, January 3, 2021, and January 2, 2022 remain subject to examination. With limited exceptions, certain of the Company's state income tax returns from fiscal year 2013 forward remain subject to examination. Various state income tax returns are currently under examination.

Uncertain Tax Positions

As of January 1, 2023 and January 2, 2022, the Company had unrecognized tax benefits of \$4.0 million and \$3.4 million, respectively, which if resolved favorably would reduce income tax expense by \$3.2 million and \$2.7 million, respectively.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

<i>(dollars in thousands)</i>	2022	2021
Beginning balance	\$ 3,376	\$ 6,700
Additions:		
Tax positions related to current year	894	848
Tax positions of prior years	44	87
Reductions:		
Tax positions of prior years	(2)	(19)
Lapse of statute of limitations	(320)	(4,240)
Ending balance	<u>\$ 3,992</u>	<u>\$ 3,376</u>

During the fiscal year ending December 31, 2023, the Company believes a reduction for an immaterial amount of unrecognized tax benefits is reasonably possible, primarily as a result of the expiration of statutes of limitations.

As of January 1, 2023 and January 2, 2022, the Company had approximately \$0.9 million and \$0.9 million, respectively, accrued for interest and penalties related to unrecognized tax benefits. During the years ended January 1, 2023 and January 2, 2022, the Company increased interest and penalties expense related to unrecognized tax benefits by an immaterial amount and reduced interest and penalties by \$1.4 million, respectively.

8. GUARANTEES AND OTHER COMMITMENTS AND CONTINGENCIES

Term Loans and Revolving Credit Facility Guarantee

IRB entered into a credit agreement (the "IRB Credit Agreement") that provides for secured credit facilities, including the IRB Term Loan B Facility due February 2025, the IRB Term Loan B Facility due December 2027 (together the "IRB Term Loans") and a revolving credit facility (the "IRB Revolving Credit Facility") with revolving loans up to an aggregate maximum of \$490.0 million. The IRB Credit Agreement contains customary provisions relating to mandatory prepayments, voluntary prepayments, conditions to borrowings and issuances of letters of credit under the IRB Revolving Credit Facility, representations and warranties, affirmative covenants, negative covenants and events of default. All obligations under the IRB Credit Agreement are guaranteed by the Company and its subsidiaries through the maturity dates and secured by substantially all assets of the Company and its subsidiaries.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of January 1, 2023, approximately \$5,011.3 million was outstanding under the IRB Term Loans. As of January 1, 2023, \$5.8 million of letters of credit were outstanding under the IRB Revolving Credit Facility. As of January 1, 2023, there was approximately \$484.2 million remaining capacity for future borrowings.

In February 2023, IRB repaid the \$2,481.4 million portion of its Term Loan B Facility due February 2025 using proceeds from a new \$1,750.0 million Term Loan B due December 2027 and cash.

IRB Senior Notes Guarantee

IRB entered into an indenture and issued notes in 2020 (the "2020 Senior Notes") in an aggregate principal amount of \$750.0 million and a maturity date of June 2025. The 2020 Senior Notes are senior secured obligations of IRB and are guaranteed by the Company. As of January 1, 2023, approximately \$750.0 million was outstanding under the 2020 Senior Notes.

Advertising Commitments

The Company has purchase commitments related to the execution of its advertising strategies, including agency fees and media buy obligations. Because most media purchase commitments can be canceled within 90 days of scheduled broadcasts, the Company does not believe that these agreements have a significant impact on its operations.

Legal and Environmental Matters

On or about November 18, 2021, a plaintiff commenced a lawsuit in the United States District Court for the Northern District of Georgia (the "Lawsuit") against certain subsidiaries of the Company that operate BWW restaurants ("the BWW Entities"). The plaintiff asserts claims on behalf of herself and others similarly situated that the BWW Entities violated the tip credit provisions of the Fair Labor Standards Act and New York labor law by taking a tip credit for time in which tipped employees performed non-tip-generating work in an amount in excess of that permitted by applicable regulations. The Company denies any alleged violation of law and rejects the claims asserted in the Lawsuit. The Company believes there is a reasonable possibility of loss related to these claims; however, given the early stage of the Lawsuit, the Company is currently unable to estimate the possible loss or range of loss.

The Company is involved in various other litigation and claims incidental to its business. Although the outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company, based on currently available information, including legal defenses available to the Company and its legal reserves and insurance coverages, the Company does not believe that the outcome of these other legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flows.

9. TRANSACTIONS WITH RELATED PARTIES

Shared service costs from Inspire are directly incurred by and allocated to BWW based on revenues. For the years ended January 1, 2023 and January 2, 2022, shared service costs were \$145.7 million and \$110.8 million, respectively, and are included in "Selling, general and administrative expenses." As a result of these allocations, BWW's results of operations may not be indicative of those that would be achieved if they had operated on a stand-alone basis.

Certain amounts were due to or due from IRB as of January 1, 2023 and January 2, 2022 related to the Company's Tax Sharing Agreement. Current amounts due to or from IRB or affiliates are included in "Other current liabilities" or "Accounts receivable, net", respectively. As of January 1, 2023, \$2.5 million was due to IRB and is included within "Other current liabilities". As of January 2, 2022, \$32.3 million was due from IRB and is included within "Accounts receivable, net".

Buffalo Wild Wings, Inc. and Subsidiaries

(An Indirect Wholly-Owned Subsidiary of Inspire Brands, Inc.)

Consolidated Financial Statements

as of January 3, 2021 (Successor) and December 29, 2019

(Successor) and for the Years Ended January 3, 2021 (Successor) and

December 29, 2019 (Successor), the Period from February 5, 2018

(date of acquisition) through December 30, 2018 (Successor) and the

Period from January 1, 2018 through February 4, 2018

(Predecessor) and Independent Auditors' Report

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholder of
Buffalo Wild Wings, Inc. and Subsidiaries
Atlanta, Georgia

We have audited the accompanying consolidated financial statements of Buffalo Wild Wings, Inc. and subsidiaries (the "Company" and an indirect wholly-owned subsidiary of Inspire Brands, Inc.), which comprise the consolidated balance sheets as of January 3, 2021 (successor) and December 29, 2019 (successor), and the related consolidated statements of operations and comprehensive income (loss), stockholder's equity, and cash flows for the years ended January 3, 2021 (successor) and December 29, 2019 (successor), the period from February 5, 2018 through December 30, 2018 (successor), and the period from January 1, 2018 through February 4, 2018 (predecessor), and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of January 3, 2021 (successor) and December 29, 2019 (successor), and the results of its operations and its cash flows for the years ended January 3, 2021 (successor) and December 29, 2019 (successor), the period from February 5, 2018 through December 30, 2018 (successor), and the period from January 1, 2018 through February 4, 2018 (predecessor) in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Notes 1 and 3, the Company was acquired by IRB Holding Corp., an indirect wholly-owned subsidiary of Inspire Brands, Inc., on February 5, 2018. In accordance with the acquisition method of accounting, the Company's assets and liabilities have been adjusted to their estimated fair values as of the date of the acquisition. As a result, the Company's consolidated financial statements for the period prior to the date of acquisition (the predecessor period) are not comparable to the periods after the date of acquisition (the successor periods).

As discussed in Note 2 to the consolidated financial statements, effective December 30, 2019, the Company adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-02, *Leases (Topic 842)*, and related subsequent amendments using the modified retrospective approach.

Our opinion is not modified with respect to these matters.

Deloitte + Touche LLP

March 25, 2021

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

	Successor	
	January 3, 2021	December 29, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,061	\$ 12,010
Accounts receivable, net	75,197	87,968
Inventories	15,568	16,885
Prepaid expenses and other current assets	12,228	13,384
Total current assets	109,054	130,247
Properties and equipment, net	483,070	544,962
Goodwill	908,874	905,988
Intangible assets, net	1,545,568	1,833,877
Operating lease assets	462,427	—
Other assets	13,388	14,941
Total assets	<u>\$ 3,522,381</u>	<u>\$ 3,430,015</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 2,257	\$ 5,599
Current operating lease liabilities	82,236	—
Accounts payable	37,341	53,000
Accrued expenses and other current liabilities	176,326	157,111
Total current liabilities	298,160	215,710
Long-term debt	16,222	28,445
Long-term operating lease liabilities	400,255	—
Deferred tax liabilities	352,500	425,671
Other liabilities	52,367	80,132
Stockholder's equity:		
Other capital	2,586,131	2,681,807
Accumulated deficit	(181,198)	—
Accumulated other comprehensive loss	(690)	(633)
Total Buffalo Wild Wings, Inc. stockholder's equity	2,404,243	2,681,174
Noncontrolling interest	(1,366)	(1,117)
Total stockholder's equity	2,402,877	2,680,057
Total liabilities and stockholder's equity	<u>\$ 3,522,381</u>	<u>\$ 3,430,015</u>

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands)

	<u>Successor</u>		<u>Successor</u>	<u>Predecessor</u>
	Year Ended January 3, 2021	Year Ended December 29, 2019	February 5, 2018 through December 30, 2018	January 1, 2018 through February 4, 2018
Revenues:				
Company-owned restaurant revenues	\$ 1,693,698	\$ 1,937,195	\$ 1,706,626	\$ 185,618
Franchise and other revenues	145,712	148,829	144,030	15,392
Total revenues	<u>1,839,410</u>	<u>2,086,024</u>	<u>1,850,656</u>	<u>201,010</u>
Costs and expenses:				
Cost of sales (exclusive of depreciation and amortization shown separately below):				
Food and paper	513,314	571,024	485,853	54,811
Restaurant labor	496,920	579,704	534,393	59,161
Occupancy, advertising and other operating expenses	436,231	424,080	372,014	41,100
Total cost of sales	<u>1,446,465</u>	<u>1,574,808</u>	<u>1,392,260</u>	<u>155,072</u>
General and administrative	203,442	183,448	173,688	38,351
Franchise related advertising costs	49,460	50,633	65,711	2,011
Acquisition costs	—	—	—	35,281
Integration costs	—	13,376	17,373	6,397
Depreciation and amortization	127,159	138,035	133,061	14,937
Impairments	259,758	1,599	1,715	1,824
Other operating expense, net	7,282	4,708	3,526	462
Total costs and expenses	<u>2,093,566</u>	<u>1,966,607</u>	<u>1,787,334</u>	<u>254,335</u>
Operating income (loss)	<u>(254,156)</u>	<u>119,417</u>	<u>63,322</u>	<u>(53,325)</u>
Interest expense	2,005	2,431	3,173	3,455
Other expense (income), net	<u>(15)</u>	<u>206</u>	<u>193</u>	<u>3,849</u>
Income (loss) before income taxes	<u>(256,146)</u>	<u>116,780</u>	<u>59,956</u>	<u>(60,629)</u>
Income tax expense (benefit)	<u>(74,814)</u>	<u>25,675</u>	<u>209</u>	<u>(10,592)</u>
Net income (loss) including noncontrolling interest	<u>(181,332)</u>	<u>91,105</u>	<u>59,747</u>	<u>(50,037)</u>
Net loss attributable to noncontrolling interest	<u>(249)</u>	<u>(605)</u>	<u>(474)</u>	<u>(221)</u>
Net income (loss) attributable to Buffalo Wild Wings, Inc.	<u>\$ (181,083)</u>	<u>\$ 91,710</u>	<u>\$ 60,221</u>	<u>\$ (49,816)</u>

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	<u>Successor</u>		<u>Successor</u>	<u>Predecessor</u>
	Year Ended January 3, 2021	Year Ended December 29, 2019	February 5, 2018 through December 30, 2018	January 1, 2018 through February 4, 2018
Net income (loss) including noncontrolling interest	(181,332)	91,105	59,747	(50,037)
Other comprehensive income (loss):				
Foreign currency translation adjustment, net of tax	(57)	136	(769)	107
Comprehensive income (loss) including noncontrolling interest	<u>\$ (181,389)</u>	<u>\$ 91,241</u>	<u>\$ 58,978</u>	<u>\$ (49,930)</u>
Comprehensive loss attributable to noncontrolling interest	<u>(249)</u>	<u>(605)</u>	<u>(474)</u>	<u>(221)</u>
Comprehensive income (loss) attributable to Buffalo Wild Wings, Inc.	<u>\$ (181,140)</u>	<u>\$ 91,846</u>	<u>\$ 59,452</u>	<u>\$ (49,709)</u>

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY
(In thousands, except share data)

	Other Capital		(Accumulated Deficit) Retained Earnings	Accumulated Other Comprehensive Loss	Total Buffalo Wild Wings, Inc. Stockholder's Equity	Noncontrolling Interest	Total Stockholder's Equity
	Shares	Amount					
Predecessor							
Balance at December 31, 2017	15,532,523	\$ 146,294	\$ 149,034	\$ (3,573)	\$ 291,755	\$ (834)	\$ 290,921
Net loss	—	—	(49,816)	—	(49,816)	(221)	(50,037)
Foreign currency translation adjustment	—	—	—	107	107	—	107
Adoption of accounting standard (Note 2)	—	—	(2,573)	—	(2,573)	—	(2,573)
Share-based compensation	—	24,650	—	—	24,650	—	24,650
Other	9,796	599	1,027	—	1,626	11	1,637
Balance at February 4, 2018	15,542,319	171,543	97,672	(3,466)	265,749	(1,044)	264,705
Successor							
Push down of Acquisition (Note 3)	100	2,468,808	—	—	2,468,808	—	2,468,808
Capital contribution from Parent (Note 3)	—	405,279	—	—	405,279	—	405,279
Net income	—	—	60,221	—	60,221	(474)	59,747
Foreign currency translation adjustment	—	—	—	(769)	(769)	—	(769)
Share-based compensation	—	597	—	—	597	—	597
Dividend paid	—	(196,073)	(59,092)	—	(255,165)	—	(255,165)
Non-cash contributions from Parent	—	82,583	—	—	82,583	—	82,583
Other	—	128	(1,129)	—	(1,001)	(50)	(1,051)
Balance at December 30, 2018	100	2,761,322	—	(769)	2,760,553	(524)	2,760,029
Net income	—	—	91,710	—	91,710	(605)	91,105
Foreign currency translation adjustment	—	—	—	136	136	—	136
Share-based compensation	—	2,032	—	—	2,032	—	2,032
Dividend paid	—	(81,547)	(91,710)	—	(173,257)	—	(173,257)
Other	—	—	—	—	—	12	12
Balance at December 29, 2019	100	2,681,807	—	(633)	2,681,174	(1,117)	2,680,057
Net loss	—	—	(181,083)	—	(181,083)	(249)	(181,332)
Foreign currency translation adjustment	—	—	—	(57)	(57)	—	(57)
Adoption of accounting standard (Note 2)	—	—	(3,997)	—	(3,997)	—	(3,997)
Share-based compensation	—	768	—	—	768	—	768
Dividend paid	—	(93,525)	—	—	(93,525)	—	(93,525)
Other	—	(2,919)	3,882	—	963	—	963
Balance at January 3, 2021	100	\$ 2,586,131	\$ (181,198)	\$ (690)	\$ 2,404,243	\$ (1,366)	\$ 2,402,877

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	<u>Successor</u>	<u>Successor</u>	<u>Successor</u>	<u>Predecessor</u>
	Year Ended January 3, 2021	Year Ended December 29, 2019	February 5, 2018 through December 30, 2018	January 1, 2018 through February 4, 2018
Cash flows from operating activities:				
Net income (loss) including noncontrolling interest	\$ (181,332)	\$ 91,105	\$ 59,747	\$ (50,037)
Adjustments to reconcile net income (loss) including noncontrolling interest to net cash provided by operating activities:				
Depreciation and amortization	127,159	138,035	133,061	14,937
Impairments	259,758	1,599	1,715	1,824
Loss on disposal of assets	3,418	4,708	3,526	462
Deferred income tax expense (benefit)	(71,345)	8,238	(2,766)	(16,405)
Share-based compensation	768	2,032	597	24,650
Non-cash rent expense, net	—	7,169	6,462	—
Other, net	3,633	8,889	2,302	6,734
Changes in operating assets and liabilities:				
Accounts and notes receivable	12,541	2,461	4,397	36,886
Inventories	2,223	(1,357)	2,918	(660)
Prepaid expenses and other current assets	1,495	47,565	(7,878)	81
Operating lease assets and lease liabilities, net	9,628	—	—	—
Accounts payable	(2,384)	2,635	(19,209)	(5,999)
Accrued expenses and other current liabilities	20,533	(25,531)	34,672	34,934
Net cash provided by operating activities	<u>186,095</u>	<u>287,548</u>	<u>219,544</u>	<u>47,407</u>
Cash flows from investing activities:				
Capital expenditures	(58,661)	(85,898)	(57,012)	(10,922)
Business acquisitions, net of cash acquired	(37,801)	(22,717)	(2,738)	—
Proceeds from disposition of assets	49	549	—	—
Net cash used in investing activities	<u>(96,413)</u>	<u>(108,066)</u>	<u>(59,750)</u>	<u>(10,922)</u>
Cash flows from financing activities:				
Debt repayments	(2,106)	(5,028)	(409,239)	(211)
Distribution to Parent	(93,525)	(173,257)	(255,165)	—
Proceeds from sale-leaseback financing transaction	—	2,733	—	—
Capital contributions from Parent	—	—	405,279	—
Net cash used in financing activities	<u>(95,631)</u>	<u>(175,552)</u>	<u>(259,125)</u>	<u>(211)</u>
Effect of exchange rate changes on cash and cash equivalents	—	—	(1)	—
Net increase (decrease) in cash and cash equivalents	(5,949)	3,930	(99,332)	36,274
Cash and cash equivalents at beginning of period	12,010	8,080	107,412	71,138
Cash and cash equivalents at end of period	<u>\$ 6,061</u>	<u>\$ 12,010</u>	<u>\$ 8,080</u>	<u>\$ 107,412</u>
Supplemental disclosures of cash flow information:				
Cash paid (refunds received) during the year for:				
Interest	<u>\$ 2,087</u>	<u>\$ 2,305</u>	<u>\$ 4,454</u>	<u>\$ 1,899</u>
Income taxes	<u>\$ (12,471)</u>	<u>\$ (242)</u>	<u>\$ 4,912</u>	<u>\$ 59</u>
Supplemental disclosures of non-cash investing and financing activities:				
Capital expenditures included in accounts payable	<u>\$ 5,619</u>	<u>\$ 12,623</u>	<u>\$ 8,128</u>	<u>\$ 8,549</u>
Assets acquired by capital lease	<u>\$ —</u>	<u>\$ 2,212</u>	<u>\$ 7,756</u>	<u>\$ 447</u>
Increase in asset retirement obligation	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 819</u>	<u>\$ —</u>

See accompanying notes to consolidated financial statements.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except share data)

1. DESCRIPTION OF BUSINESS

Buffalo Wild Wings, Inc. (collectively, with its subsidiaries, “BWV” or the “Company”) is a wholly owned subsidiary of IRB Holding Corp. (“IRB”) whose ultimate parent is Inspire Brands, Inc. (“Inspire”).

On February 5, 2018, Inspire completed the acquisition of 100% of the outstanding shares of the Company’s common stock (the “Acquisition”). See Note 3 for further information on the Acquisition.

The Company operates through Company-owned and franchised Buffalo Wild Wings® and Rusty Taco® restaurants. As of January 3, 2021, the Company had 691 Company-owned restaurants and 620 franchised restaurants for a total of 1,311 system-wide restaurants. As of December 29, 2019, the Company had 655 Company-owned restaurants and 658 franchised restaurants for a total of 1,313 system-wide restaurants. Because the Company’s restaurants and its franchised restaurants are generally located throughout the United States (“U.S.”), it believes the risk of geographic concentration is not significant.

The Company believes its vulnerability to risk concentrations in its restaurants related to significant vendors is mitigated by the fact that there are other vendors who would be able to service its requirements. However, if a disruption of service from any of the Company’s main distributors was to occur, it could experience short-term increases in its costs while it adjusts distribution channels.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements, which include the Company’s accounts and the accounts of its wholly and majority-owned subsidiaries, have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”). All intercompany balances and transactions have been eliminated in consolidation.

In preparing the consolidated financial statements, the Company has reviewed and considered all significant events occurring subsequent to January 3, 2021, and up until March 25, 2021, the date the consolidated financial statements were available to be issued.

Use of Estimates

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

Fiscal Year

As a result of the Acquisition, the Company presented the results for fiscal 2018 as two separate periods: (i) the period from February 5, 2018 through December 30, 2018 following the completion of the Acquisition (the “2018 Successor Period”) and (ii) the period from January 1, 2018 through February 4, 2018 which was prior to the completion of the Acquisition (the “2018 Predecessor Period”).

The Company’s fiscal reporting periods normally consist of 52 or 53 weeks ending on the last Sunday in December and are referred to herein as (1) “the year ended January 3, 2021” or “2020,” which consisted of 53 weeks, (2) “the year ended December 29, 2019” or “2019,” which consisted of 52 weeks, and (3) “the year ended December 30, 2018” or “2018,” which consisted of 52 weeks. In future years, the Company’s fiscal reporting periods will consist of 52 or 53 weeks ending on the Sunday closest to December 31.

COVID-19

Commencing in December 2019, the novel strain of coronavirus (“COVID-19”) began spreading throughout the world, including the first outbreak in the U.S. in February 2020. On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. COVID-19 has disrupted and continues to significantly disrupt local, regional, and global economies and businesses. Because of the operating

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except share data)

restrictions, limitations on group gatherings, forced closures, and other consequences of the outbreak there have been significant disruptions in customer demand.

The Company assessed certain accounting matters that generally require consideration of forecasted financial information in context with the information reasonably available to us and the unknown future impacts of COVID-19 as of January 3, 2021 and through March 25, 2021. The accounting matters assessed included, but were not limited to, the carrying value of our goodwill, indefinite lived intangible assets, and other long-lived assets. Based on these assessments, in fiscal 2020, the Company recorded impairments on operating lease assets and other long-lived assets for our underperforming restaurants of \$7.7 million and an impairment charge to the Company's indefinite lived tradename of \$250 million. The extent to which the COVID-19 pandemic will continue to impact our business in the future is uncertain, but it could have a material impact on the Company's financial condition, results of operations, and cash flows if it continues for an extended period.

Cash Equivalents

All highly liquid investments with a maturity of three months or less when acquired are considered cash equivalents.

The Company believes that its vulnerability to risk concentrations in its cash equivalents is mitigated by its policies restricting the eligibility, credit quality and concentration limits for its placements in cash equivalents.

Deferred Compensation

The Company had funded a deferred compensation plan using trading assets in a marketable equity portfolio. These assets were classified as prepaid expenses and other current assets in the accompanying consolidated balance sheets. This portfolio was held to generate returns that seek to offset changes in liabilities related to the equity market risk of certain deferred compensation arrangements. Trading securities were stated at fair value, with gains or losses resulting from changes in market value recognized in deferred compensation expense included in "General and administrative expenses" and the recognition of investment income included in "Other expense (income), net" in the accompanying consolidated statements of operations. In January 2019, the Company's deferred compensation plan was settled and all assets were distributed to participants.

Accounts Receivable, net

Accounts receivable consist primarily of gift card receivables, credit card receivables and vendor allowances. The Company monitors accounts and notes receivable for delinquency and reserves for estimated losses for specific receivables that are not likely to be collected. In addition to allowances for specific receivables, the Company estimates a general provision for bad debts based on historical experience. Account balances generally are charged against the allowance when the Company believes it is probable that the receivable will not be collected.

Inventories

The Company's inventories, consisting primarily of restaurant food items, are stated at the lower of cost or net realizable value, with cost determined using the first-in, first-out method.

Properties and Equipment, net

Properties are stated at cost, including internal costs of employees to the extent such employees are dedicated to specific restaurant construction projects, less accumulated depreciation. Depreciation of properties is computed principally on the straight-line basis using estimated useful lives of the related major classes of properties. Estimated useful lives are 2 to 8 years for furniture and equipment and 20 to 40 years for buildings. Capital lease assets and leasehold improvements are amortized and depreciated over the shorter of their estimated useful lives or the terms of the respective leases, including periods covered by renewal options that the Company is reasonably assured of exercising.

The Company reviews its properties for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or an asset group may not be recoverable. If such review indicates an asset or asset group may not be recoverable, an impairment loss is recognized for the excess of the carrying amount over the fair value of an asset or asset group to be held and used or over the fair value less cost to sell an asset or asset group to be sold. Asset groups are substantially comprised of the Company's individual restaurant properties.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except share data)

Goodwill

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed. The Company tests goodwill for impairment annually during the fourth quarter, or more frequently if events or changes in circumstances indicate that it may be impaired.

The Company first assesses qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If the qualitative factors indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company performs an impairment test of goodwill. The Company estimates the fair value of the reporting unit using an income approach through a discounted cash flow analysis using unobservable inputs (Level 3) and relevant data from guideline public companies market approach. Significant assumptions and estimates used in determining fair value include future revenues, operating costs, working capital changes, capital expenditures, a discount rate that approximates the Company's weighted average cost of capital and a selection of multiples for comparable companies. During the fiscal years 2020, 2019, and 2018, the Company completed its impairment test for goodwill and no impairment was indicated.

Intangible Assets, net

Definite lived intangible assets are amortized on the straight-line basis using estimated useful lives of the related classes of intangible assets. Estimated useful lives are the terms of the respective leases (including periods covered by renewal options that the Company is reasonably assured of exercising) for favorable leases, 3 to 5 years for costs of computer software, 10 to 20 years for franchise agreements and 17 years for reacquired franchise rights based upon the remaining contractual term of the related license. The trademark/trade name is not amortized as it is considered to have an indefinite useful life.

The Company reviews definite lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the intangible asset may not be recoverable. The Company reviews indefinite lived intangible assets for impairment at least annually during the fourth quarter and more frequently if events or changes in circumstances indicate that the carrying amount of the non-amortizing intangible asset may not be recoverable. If such reviews indicate the intangible asset may not be recoverable, an impairment loss is recognized for the excess of the carrying amount over the fair value of the intangible asset.

In mid-March 2020, the outbreak of the COVID-19 pandemic prompted authorities in most jurisdictions where the Company operates to issue stay-at-home orders, leading to disruption to the Company's business, requiring the Company to close restaurant dining rooms and operate with only take-out and delivery orders. As a result of declining sales and the challenging environment for the restaurant industry, the Company determined that the consequences of the pandemic were indicators of potential impairment for its goodwill, indefinite-lived intangible assets, and other long-lived assets during the first fiscal quarter of 2020.

The Company performed an impairment assessment of its indefinite-lived trade name. Using Level 3 inputs, the Company used the relief from royalty method to determine the fair value of its trade name. Significant assumptions and estimates used in determining fair value include future revenues, the royalty rate, franchise attrition, brand maintenance expenses and a discount rate that approximates the Company's weighted average cost of capital. Based on the quantitative assessment performed during the first fiscal quarter of 2020, the Company determined that the fair value of the BWW trade name was less than its carrying value and recognized a non-cash impairment charge of \$250 million, equal to the excess of the trade name's carrying value above its fair value.

During the fourth quarter of fiscal year 2020 and during fiscal years 2019 and 2018, the Company completed its impairment test for non-amortizing intangible assets and no impairment was indicated. However, the fair value of the BWW trade name only exceeded its carrying value by a nominal amount (approximately 2.3%). Given the limited excess of the fair value over carrying value, this trade name is more sensitive to changes in assumptions regarding its fair value.

Impairment or Disposal of Long-lived Assets

The Company reviews other long-lived assets, including operating lease assets, property, plant, and equipment, and liquor licenses, for impairment whenever events or changes in circumstances indicate that the carrying amount of such an asset may not be recoverable. The assets are not recoverable if their carrying value is less than the undiscounted cash flows we expect to generate from such assets. If the assets are not deemed to be recoverable, impairment is measured based on the excess of their carrying value over their fair value.

BUFFALO WILD WINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollars in thousands, except share data)

For the purposes of impairment testing for our restaurants, we review our long-lived assets of such individual restaurants (primarily PP&E and operating lease assets) that we intend to continue operating as Company restaurants annually for impairment, or whenever events or changes in circumstances indicate that the carrying amount of a restaurant may not be recoverable. We evaluate the recoverability of these restaurant assets by comparing the estimated undiscounted future cash flows, which are based on our entity-specific assumptions, to the carrying value of such assets. For restaurant assets that are not deemed to be recoverable, we write-down the impaired restaurant to zero. Fair value is an estimate of the price a franchisee would pay for the restaurant and its related assets, including any operating lease assets, and is determined by discounting the estimated future cash flows of the restaurant, which include a deduction for royalties we would receive under a franchise agreement with terms substantially at market. The cash flows incorporate reasonable assumptions we believe a franchisee would make such as sales growth and margin improvement. The discount rate used in the fair value calculation is our estimate of the required rate of return that a franchisee would expect to receive when purchasing a similar restaurant and the related long-lived assets. The discount rate incorporates rates of returns for historical franchising market transactions and is commensurate with the risks and uncertainty inherent in the forecasted cash flows. Any operating lease asset may alternatively be valued at the amount we could receive for such operating lease asset from a third-party that is not a franchisee through a sublease if doing so would result in less overall impairment of the restaurant assets in total.

Management judgment is necessary to estimate future cash flows, including cash flows from continuing use, terminal value, sublease income and franchising proceeds. Accordingly, actual results could vary significantly from our estimates.

In fiscal 2020, the Company recorded impairment charges of operating lease assets and other long-lived assets for our restaurants of \$7.7 million. The impairment charges were recorded within "Impairments" on the Company's consolidated statements of operations.

For the fiscal years ended January 3, 2021 and December 29, 2019, the Company recorded a loss on disposal of assets of \$3.4 million and \$4.7 million, respectively. The loss on disposal of assets is recorded within "Other operating expense, net" on the Company's consolidated statement of operations.

Other Assets

Other assets consist primarily of liquor licenses. Liquor licenses are either amortized over their renewal period or, if transferable, are carried at the lower of fair value or cost. The Company identifies potential impairments for transferable liquor licenses by comparing the fair value with its carrying amount. If the fair value exceeds the carrying amount, the liquor licenses are not impaired. If the fair value of the asset is less than the carrying amount, an impairment is recorded. During fiscal 2020, the Company recorded an impairment charge of \$1.8 million. This charge is included within 'Impairments and loss on disposal of assets' on the Consolidated Statements of Operations. The carrying amount of the transferable liquor licenses not subject to amortization as of January 3, 2021 and December 29, 2019 was \$9.0 million and \$10.5 million, respectively.

Share-Based Compensation

Share-based compensation expense for all share-based compensation plans is measured at the grant date based on the estimated fair value of the award and is expensed ratably over the requisite service period of the award, except for awards that are subject to performance conditions, in which case compensation expense is recognized over the requisite service period to the extent achievement of the performance conditions is considered probable. Fair value of stock option awards is estimated using the Black-Scholes option pricing model. The Company accounts for forfeitures when they occur.

Acquisition and Integration Related Costs

Acquisition and integration related costs include, but are not limited to, transactions costs such as banking, advisory and other professional fees; along with costs incurred towards integration onto Inspire's shared service platform, termination of redundant positions and locations, employee transition costs, integration related professional fees and other post business combination expenses associated with integration activity.

Income Taxes

The Company is included in the consolidated U.S. federal and certain state income tax returns of Inspire. The Company provides for U.S. federal income tax on a separate return approach, as if the Company and the Company's subsidiaries file a hypothetical consolidated return separate from Inspire. Following the acquisition by Inspire, the Company provides for state taxes in accordance with a formal tax sharing agreement between Inspire and its subsidiaries ("Tax Sharing Agreement").

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The Company makes tax payments directly to certain state governmental jurisdictions for only itself. Differences between the Company's income tax provision and cash flows attributable to income taxes pursuant to the provisions of the Company's Tax Sharing Agreement have been recognized as capital contributions from, or dividends to, IRB. Current amounts due from IRB or affiliates are included in "Prepaid expenses and other current assets."

The Company records income tax liabilities based on known obligations and estimates of potential obligations. A deferred tax asset or liability is recognized whenever there are (i) future tax effects from temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases or (ii) operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to the years in which those differences are expected to be recovered or settled. Deferred tax assets related to U.S. federal attributes are measured as if the Company and its subsidiaries file a hypothetical separate U.S. federal return. When considered necessary, the Company records a valuation allowance to reduce the carrying amount of deferred tax assets related to U.S. federal taxes if it is more likely than not that all or a portion of the assets will not be realized on the Company's hypothetical separate U.S. federal return. Deferred tax assets related to state tax attributes are measured in accordance with the Tax Sharing Agreement. The Company records a valuation allowance to reduce the carrying amount of deferred tax assets related to state taxes if it is more likely than not that all or a portion of the assets will not be realized when taking into account the Tax Sharing Agreement.

The Company applies a recognition threshold and measurement attribute for consolidated financial statement recognition and measurement of potential tax benefits associated with tax positions taken or expected to be taken in the Company's income tax returns ("Uncertain Tax Positions"). The Company uses a two-step process when evaluating tax positions. The Company first determines if it is more likely than not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. A tax position that meets the more likely than not recognition threshold is then measured for purposes of consolidated financial statement recognition as the largest amount of benefit that is greater than 50% likely of being realized once the position is considered effectively settled.

Accrued interest and penalties related to income taxes that are expected to be paid within 12 months are included in "Accrued expenses and other current liabilities." Accrued interest and penalties related to income taxes that are not expected to be paid within 12 months are included in "Other liabilities." Interest and penalties accrued for Uncertain Tax Positions are charged to "Income tax expense."

Foreign Currency

The Company's reporting currency is the U.S. dollar, while the functional currency of its Canadian operations is the Canadian dollar. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange on the balance sheet date. Revenues, costs and expenses and cash flows are translated using the average exchange rate for the period.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," as amended by multiple updates to the standard. This update requires entities to recognize revenue in the way they expect to be entitled to receive it for the transfer of promised goods or services to customers.

The Company adopted ASU 2014-09 using the cumulative effect transition method on January 1, 2018, which was applied to those contracts that were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under ASU 2014-09, while prior period amounts were not adjusted and continue to be reported in accordance with our historic accounting. The Company recognized a net decrease to "Retained Earnings" of \$4.9 million as of January 1, 2018 as a result of the adoption.

"Company-owned restaurant revenues" includes revenues recognized upon delivery of food to the customer at Company-owned restaurants. "Company-owned restaurant revenues" excludes sales taxes collected from the Company's customers. Sales of gift cards are initially recorded as a current liability and recognized as revenue when the gift card is presented for the purchase of food by the customer.

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“Loyalty program” refers to the Blazin' Rewards[®] customer loyalty program. The program allows members to earn points when they make purchases at the Company's restaurants. The Company records the estimated selling price of points earned as a reduction of restaurant sales and establishes a liability within deferred revenue. The revenue associated with the points is recognized at redemption.

“Franchise and other revenues” includes royalties, franchise fees and advertising funds revenue. Royalties from franchised restaurants are based on a percentage of net sales of the franchised restaurant and are recognized as earned. Initial franchise fees are recorded as deferred income when received and are recognized as revenue over the contractual term of the franchise agreement, once a franchised restaurant is opened. Renewal franchise fees are recognized as revenue over the contractual term of the franchise agreement, once the license agreement is signed and the fee is paid. Franchise commitment fee deposits are forfeited and recognized as revenue upon the termination of the related commitments to open new franchised restaurants. Advertising funds revenue includes contributions to advertising funds by company owned restaurants and franchisees. Revenue related to these contributions is based on a percentage of restaurant sales and is recognized as earned.

Vendor Incentives

The Company receives incentives from some of its vendors. These incentives are recognized as earned and are generally classified as a reduction of “Cost of Sales,” “Franchise related advertising costs” and “Occupancy, advertising and other operating expenses.”

Advertising Costs

Contributions to the national advertising fund and other advertising cooperatives related to Company-owned restaurants are expensed as contributed and local advertising costs for Company-owned restaurants are expensed as incurred. Company advertising costs are included in “Occupancy, advertising and other operating expenses.” The Company's advertising expenses for the years ended January 3, 2021 and December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period were \$62.9 million, \$65.3 million, \$58.7 million and \$6.2 million, respectively. Franchise advertising costs are included in “Franchise related advertising costs.”

Self-insurance

The Company is self-insured, subject to certain insured stop-loss limits, for workers' compensation, health care and general liability claims. The Company provides for its estimated cost to settle both known claims and claims incurred but not yet reported. Liabilities associated with these claims are estimated, in part, by considering the frequency and severity of historical claims, both specific to the Company, as well as industry-wide loss experience, and other actuarial assumptions. The Company estimates workers' compensation and general liability obligations with the assistance of a third-party actuarial firm. Since there are many estimates and assumptions involved in estimating insurance liabilities, and in the case of workers' compensation, a significant period of time before ultimate resolution of claims, differences between actual future events and prior estimates and assumptions could result in adjustments to these liabilities. Such amounts are included in “Accrued expenses and other current liabilities” and “Other liabilities.”

Leases

In February 2016, the FASB issued ASU No. 2016-02, “Leases (Topic 842)” (“ASC 842”) as amended by multiple updates to the standard. This update requires lessees to recognize a lease liability and a lease asset for all leases, including operating leases, with a term greater than 12 months on its balance sheet and requires lessors to classify leases as a sales-type, direct financing or operating lease. The update also expands the required quantitative and qualitative disclosures surrounding leases. This update is effective for fiscal years beginning after December 15, 2021 with early adoption permitted.

At the beginning of 2020 the Company adopted ASC 842 using the modified retrospective approach and elected December 30, 2019 as the date of initial application. This approach allows the Company to apply the standard and related disclosures to the financial statements for the period of adoption and to apply the old guidance in the comparative periods.

The standard had a material effect on our consolidated balance sheets from the recognition of Right of Use (“ROU”) assets and lease liabilities related to operating leases and the derecognition of sale-leaseback assets and obligations.

The standard did not have a material impact on the Company's historical capital leases, which are presented as finance leases pursuant to ASC 842.

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Financial Presentation

Upon adoption, the Company recognized operating lease liabilities equal to the future minimum rentals for non-cancelable operating leases having an initial lease term in excess of one year, discounted by the Company's incremental borrowing rate at adoption. The initial ROU assets equal initial operating lease liabilities, adjusted for the balance of accrued rent, favorable/unfavorable leases, deferred straight-line rent, lease incentives and unamortized initial direct costs at the adoption date. Adoption of the new standard resulted in the recording of additional lease assets and lease liabilities of approximately \$429.1 million and \$441.9 million, respectively, as well as an adjustment to retained earnings of \$4.0 million, primarily resulting from the derecognition of sale-leaseback assets and obligations and impairing newly recognized ROU assets upon transition.

Operating Leases

For operating leases, minimum lease payments or receipts, including minimum scheduled rent increases, are recognized as rent expense where the Company is a lessee, or income where the Company is a lessor, as applicable, on a straight-line basis ("Straight-Line Rent") over the applicable lease terms. There is a period under certain lease agreements referred to as a rent holiday ("Rent Holiday") that generally begins on the possession date and ends on the rent commencement date. During a Rent Holiday, no cash rent payments are typically due under the terms of the lease; however, expense is recorded for that period on a straight-line basis. The excess of the Straight-Line Rent over the minimum rents paid is included in the ROU asset where the Company is a lessee. The excess of the Straight-Line Rent over the minimum rents received is recorded as a deferred lease asset and is included in "Other assets" where the Company is a lessor. Certain leases contain provisions, referred to as contingent rent ("Contingent Rent"), that require additional rental payments based upon restaurant sales volume. Contingent Rent is recognized each period as the liability is incurred or the asset is earned.

Lease cost for operating leases is recognized on a straight-line basis and includes the amortization of the ROU asset and interest expense related to the operating lease liability. Variable lease cost for operating leases includes Contingent Rent. Short-term lease cost for operating leases includes rental expense for leases with a term of less than 12 months. Lease costs are recorded in the consolidated statements of operations based on the nature of the underlying lease as follows: (1) rental expense related to leases for Company-operated restaurants is recorded to "Cost of sales," (2) rental expense for leased properties that are subsequently subleased to franchisees is recorded to "Other operating expense, net" and (3) rental expense related to leases for corporate offices and equipment is recorded to "General and administrative."

Finance Leases

Lease cost for finance leases includes the amortization of the finance lease asset, which is amortized on a straight-line basis and recorded to "Depreciation and amortization," and interest expense on the finance lease liability, which is calculated using the interest method and recorded to "Interest expense, net." Finance lease assets are amortized over the shorter of their estimated useful lives or the terms of the respective leases, including periods covered by renewal options that the Company is reasonably assured of exercising.

Policy elections

Determination of whether a contract contains a lease - The Company evaluates the contracts it enters into to determine whether such contracts contain leases. A contract contains a lease if the contract conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. At commencement, contracts containing a lease are further evaluated for classification as an operating or finance lease where the Company is a lessee, or as an operating, sales type or direct financing lease where the Company is a lessor, based on their terms.

Significant assumptions and judgments - Management makes certain estimates and assumptions regarding each new lease and sublease agreement, renewal and amendment, including, but not limited to, property values, market rents, property lives, discount rates and probable term, all of which can impact (1) the classification and accounting for a lease or sublease as operating or finance, including sales-type and direct financing, (2) the Rent Holiday and escalations in payment that are taken into consideration when calculating Straight-Line Rent, (3) the term over which leasehold improvements for each restaurant are amortized and (4) the values and lives of adjustments to the initial ROU asset where the Company is the lessee, or favorable and unfavorable leases where the Company is the lessor. The amount of depreciation and amortization, interest and rent expense and income reported would vary if different estimates and assumptions were used.

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Practical Expedient Package - The Company has elected the following expedients and applied them consistently to leases as of the date of initial application of ASC 842:

- The Company will not revisit whether a contract is, or contains, a lease under the ASC 842 definition of a lease.
- Lease classification determined under prior guidance will not be reevaluated under ASC 842.
- Previously capitalized initial direct costs under prior guidance will be carried forward. Any initial direct costs after the effective date will be included within the ROU asset under ASC 842.

Non-lease component - The Company has lease agreements with lease and non-lease components. The Company elected a policy to account for lease and non-lease components separately for its offices and equipment leases.

Short-term lease - Leases with an initial term of 12 months or less are not recorded on the balance sheet.

Discount rate - As most of the Company's leases do not provide an implicit rate, the Company uses the incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

Renewal options - The Company evaluates the inclusion of renewal options on a lease by lease basis. In general, for new leases, the Company does not include renewal options in the underlying lease term.

Fair Value Measurements

The Company's financial instruments include cash, cash equivalents, accounts receivable, accounts payable and long-term debt. The fair value of cash, cash equivalents, accounts receivable and accounts payable approximates book value due to their short-term nature. The carrying value of Goodwill, Intangible assets, net and Properties and equipment, net are tested annually for impairment or more frequently if an event occurs that indicates an impairment may have been incurred, using fair value measurements with unobservable inputs (Level 3). The Company has not changed the valuation techniques used in measuring the fair value of any financial assets or liabilities during the current year.

For certain of the Company's assets and liabilities, valuation techniques under the accounting guidance related to fair value measurements are based on observable and unobservable inputs. Observable inputs reflect readily obtainable data from independent sources, while unobservable inputs reflect the Company's market assumptions. These inputs are classified into the following hierarchy:

Level 1 Inputs: Quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active, and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 Inputs: Pricing inputs are unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the assets or liabilities. The inputs into the determination of fair value require significant management judgment or estimation.

Dividends

Dividends are first recorded to retained earnings, if any, until the cumulative retained earnings balance is reduced to zero. Any remaining dividends are then recorded to "Other capital," if any, until the cumulative "Other capital" balance is reduced to zero and subsequently recorded to "Retained earnings (Accumulated deficit)."

New Accounting Pronouncements Not Yet Adopted

Cloud Computing (ASU 2018-15)

In August 2018, the FASB issued ASU No. 2018-15, "Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40), Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract," which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement

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that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. This update is effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years, with early adoption permitted. The Company will apply prospective adoption of this standard at the beginning of fiscal 2021. The Company is currently evaluating the effect that this pronouncement will have on its consolidated financial statements and related disclosures.

Credit Losses (ASU 2016-13)

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326)." This update requires measurement and recognition of expected versus incurred credit losses for financial assets held. The standard is effective for the Company prospectively in our first quarter of fiscal 2023 and any impact upon adoption will be reflected through a cumulative-effect adjustment to Accumulated deficit as of the beginning of 2023. The Company is currently evaluating the effect that this pronouncement will have on its consolidated financial statements and related disclosures.

3. ACQUISITION BY INSPIRE

On February 5, 2018, Inspire completed the Acquisition of the Company. Total consideration in connection with the Acquisition for all outstanding equity and equity based awards of the Company was \$2,468.8 million plus the settlement of the Company's existing indebtedness (including accrued interest and fees) outstanding under the Company's revolving credit facility in the amount of approximately \$405.3 million, which was paid upon consummation of the Acquisition. Inspire accounted for the Acquisition using the acquisition method of accounting and has elected to apply push down accounting to the Company. As a result, the Company's financial statements for the periods prior to the Acquisition (the Predecessor periods) are not comparable to those for the periods after the Acquisition (the Successor periods). The net tangible and intangible assets acquired and liabilities assumed are pushed down to the Company based on their estimated fair values and along with components of the purchase price are summarized in the following table:

<i>(dollars in thousands)</i>	Allocation
Cash and cash equivalents	\$ 107,412
Accounts receivable	66,017
Other current assets	45,135
Properties and equipment	662,854
Goodwill	899,034
Intangible assets	1,845,556
Other assets	58,974
Accounts payable	(38,307)
Accrued expenses and other current liabilities	(250,818)
Capital lease and sale-leaseback obligations	(32,248)
Deferred tax liabilities	(420,133)
Other liabilities	(69,389)
Net assets pushed down	\$ 2,874,087

The purchase price allocation and related push down accounting resulted in goodwill of \$899.0 million, of which \$78.6 million is deductible for tax purposes. The values allocated to intangible assets and the weighted average useful lives are as follows:

<i>(dollars in thousands)</i>	Carrying Amount	Weighted Average Useful Life (Years)
Trademark / trade name	\$ 1,760,000	Indefinite
Favorable leases	62,056	6.4
Computer software	14,500	3.5
Franchise agreements	9,000	13.2
	\$ 1,845,556	

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4. ACCOUNTS RECEIVABLE

Accounts receivable as of January 3, 2021 and December 29, 2019 consist of the following:

<i>(dollars in thousands)</i>	<u>Successor</u>	
	<u>2020</u>	<u>2019</u>
Gift card receivables	\$ 27,846	\$ 34,934
Credit card receivables	20,105	23,465
Third-party delivery receivables	8,307	2,783
Other	19,408	26,881
Accounts receivable, gross	<u>75,666</u>	<u>88,063</u>
Allowance for doubtful accounts	(469)	(95)
Accounts receivable, net	<u>\$ 75,197</u>	<u>\$ 87,968</u>

5. PROPERTIES AND EQUIPMENT, NET

Properties and equipment as of January 3, 2021 and December 29, 2019 consist of the following:

<i>(dollars in thousands)</i>	<u>Successor</u>	
	<u>2020</u>	<u>2019</u>
Owned:		
Land	\$ 1,758	\$ 1,758
Leasehold improvements	502,213	444,345
Restaurant and other equipment	314,118	276,471
Buildings	—	822
Leased:		
Finance lease assets	<u>18,394</u>	<u>68,467</u>
Total	836,483	791,863
Accumulated depreciation and amortization ^(a)	<u>(353,413)</u>	<u>(246,901)</u>
Properties and equipment, net	<u>\$ 483,070</u>	<u>\$ 544,962</u>

Leased assets primarily include buildings, improvements and equipment.

Depreciation expense was \$118.7 million, \$130.8 million, \$123.0 million and \$13.7 million in the years ended January 3, 2021, December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period, respectively. Gains and losses on disposal of assets are included in "Other operating expense, net."

6. GOODWILL AND INTANGIBLE ASSETS, NET

Goodwill as of January 3, 2021 and December 29, 2019 consists of the following:

<i>(dollars in thousands)</i>	<u>Goodwill</u>
Balance at December 30, 2018 (Successor)	<u>\$ 899,939</u>
Franchisee restaurant acquisitions ^(a)	6,049
Balance at December 29, 2019 (Successor)	<u>\$ 905,988</u>
Franchisee restaurant acquisitions ^(b)	2,886
Balance at January 3, 2021 (Successor)	<u>\$ 908,874</u>

(a) In July 2019, the Company completed the acquisition of 9 franchised restaurants. The purchase price allocated for accounting purposes consisted of \$22.5 million, net of cash acquired. The assets acquired included primarily leasehold improvements, personal property and franchise rights.

(b) During 2020, the Company completed the acquisition of 39 franchised restaurants. The purchase price allocated for accounting purposes consisted of \$36.6 million, net of cash acquired. The assets acquired included primarily leasehold improvements, personal property and franchise rights.

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The carrying value of the Company's intangible assets as of January 3, 2021 and December 29, 2019 consists of the following:

	<u>2020</u>				<u>Successor</u>			<u>2019</u>		
	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Impairment Charge</u> ^(a)	<u>Net</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Gross Carrying Amount</u>	<u>Accumulated Amortization</u>	<u>Net</u>
<i>(dollars in thousands)</i>										
Trademark/trade name	\$ 1,760,000	—	\$ (250,000)	\$ 1,510,000	1,760,000	—	1,760,000	1,760,000	—	1,760,000
Favorable leases ^(b)	—	—	—	—	62,152	(20,369)	41,783	62,152	(20,369)	41,783
Reacquired franchise rights	16,203	(886)	—	15,317	5,028	(5)	5,023	5,028	(5)	5,023
Computer software	31,348	(18,006)	—	13,342	30,577	(11,181)	19,396	30,577	(11,181)	19,396
Franchise agreements	9,000	(2,091)	—	6,909	9,000	(1,325)	7,675	9,000	(1,325)	7,675
Intangible assets	<u>\$ 1,816,551</u>	<u>\$ (20,983)</u>	<u>\$ (250,000)</u>	<u>\$ 1,545,568</u>	<u>\$ 1,866,757</u>	<u>\$ (32,880)</u>	<u>\$ 1,833,877</u>	<u>\$ 1,866,757</u>	<u>\$ (32,880)</u>	<u>\$ 1,833,877</u>

- (a) During the first fiscal quarter of 2020, a charge of \$250 million was recorded to reflect the impairment of value attributed to the indefinite-lived BWW trade name.
- (b) Upon adoption of ASC 842 in fiscal 2020, the Company reclassified the net book value of its favorable leases into its Operating lease assets on the Consolidated Balance Sheet.

<i>(dollars in thousands)</i>	<u>Total</u>
Aggregate amortization expense:	
Actual for fiscal year:	
2018 Predecessor Period	\$ 1,233
2018 Successor Period	10,066
2019 Successor	19,538
2020 Successor	8,508
Estimate for fiscal year:	
2021	7,348
2022	5,204
2023	3,726
2024	2,999
2025	1,771
Thereafter	14,520
	<u>\$ 35,568</u>

7. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities that exceeded five percent of total current liabilities (at the end of either fiscal year) as of January 3, 2021 and December 29, 2019 consisted of the following:

	<u>Successor</u>	
	<u>2020</u>	<u>2019</u>
<i>(dollars in thousands)</i>		
Gift card liability	\$ 66,906	\$ 71,229
Accrued payroll and incentive compensation	52,896	19,597
Accrued operating and income taxes	21,551	32,970
Accrued payables	21,422	21,298

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8. LONG-TERM DEBT

Outstanding debt as of January 3, 2021 and December 29, 2019 consists of following:

	<u>Successor</u>	
	<u>2020</u>	<u>2019</u>
<i>(dollars in thousands)</i>	<u>Amount</u>	<u>Amount</u>
Finance lease obligations (See Note 9)	\$ 18,479	\$ 34,044
Less amounts payable within one year	(2,257)	(5,599)
Long-term debt	<u>\$ 16,222</u>	<u>\$ 28,445</u>

9. LEASES

We lease certain restaurants, office space, and equipment. Leases with an initial term of 12 months or less are not recorded on the balance sheet. For equipment and office space leases beginning in 2020 and later, we account for lease components (e.g., fixed payments including rent, real estate taxes and insurance costs) separately from the nonlease components (e.g., common-area maintenance costs).

Most leases include one or more options to renew, with renewal terms that can extend the lease term from one to 25 years or more. The exercise of lease renewal options is at our sole discretion. Certain leases also include options to purchase the leased property, which impact the lease term when reasonably certain to be exercised. The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

Certain of our lease agreements include rental payments based on a percentage of retail sales over contractual levels and others include rental payments adjusted periodically for inflation. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

We rent or sublease certain real estate to third parties. Our income lease portfolio consists mainly of operating leases for restaurants with franchise operators.

Leases	Classification	January 3, 2021
Assets		
Operating lease assets	Operating lease assets	\$ 462,427
Finance lease assets	Properties and equipment	18,394
Total leased assets		480,821
Liabilities		
Current		
Operating	Current operating lease liabilities	82,236
Finance	Current portion of long-term debt	2,257
Noncurrent		
Operating	Long-term operating lease liabilities	400,255
Finance	Long-term debt	16,222
Total lease liabilities		\$ 500,970

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(dollars in thousands)

Lease Cost	Classification	January 3, 2021
Operating lease cost (a)	Cost of sales - occupancy, advertising and other	104,907
Finance lease cost		
Amortization of leased assets	Depreciation and amortization	3,122
Interest on lease liabilities	Interest expense	1,854
Sublease income, net	Other operating expense (income), net	(531)
Net lease cost		<u>109,352</u>

(a) Includes an immaterial amount classified as General and administrative. Additionally, includes short-term leases and variable lease costs, which are immaterial.

Future lease commitments to be paid and received by the Company as of January 3, 2021 are as follows:

(dollars in thousands)

Maturity of Lease liabilities as of January 3, 2021	Payments		Receipts	
	Operating Leases	Finance Leases	Subleases	Net Leases
2021	\$ 108,280	\$ 4,151	\$ (559)	\$ 111,872
2022	96,645	4,089	(761)	99,973
2023	83,337	3,972	(759)	86,550
2024	71,612	3,292	(648)	74,256
2025	59,112	2,687	(643)	61,156
Thereafter	<u>165,337</u>	<u>10,193</u>	<u>(1,149)</u>	<u>174,381</u>
Total Lease Payments	584,323	28,384	(4,519)	608,188
Less interest	<u>(96,041)</u>	<u>(9,905)</u>	<u>—</u>	<u>(105,946)</u>
Present value lease liabilities	<u>\$ 488,282</u>	<u>\$ 18,479</u>	<u>\$ (4,519)</u>	<u>\$ 502,242</u>

Lease Term and Discount Rate

January 3, 2021

Weighted-average remaining lease term (years)	
Operating leases	7
Finance leases	7.7
Weighted-average discount rate	
Operating leases	4.96
Finance leases	12.08

Other Information

January 3, 2021

Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating leases	103,175
Operating cash flows from finance leases	1,854
Financing cash flows from finance leases	2,363
Leased assets obtained in exchange for new finance lease liabilities	1,251
Leased assets obtained in exchange for new operating leases liabilities	60,154

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10. FAIR VALUE

The carrying amounts and estimated fair values of the Company's long-term debt and deferred compensation mutual funds as of January 3, 2021 and December 29, 2019 were as follows:

<i>(dollars in thousands)</i>		<u>Successor</u>			
		2020		2019	
	Fair Value Measurements	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Liabilities:					
Finance lease obligations ^(a)	Level 2	\$ 18,479	\$ 23,271	\$ 34,044	\$ 38,264
Total financial liabilities		<u>\$ 18,479</u>	<u>\$ 23,271</u>	<u>\$ 34,044</u>	<u>\$ 38,264</u>

(a) As of January 3, 2021 and December 29, 2019, the fair values are determined by discounting the future scheduled principal payments using the Company's incremental borrowing rate, which was 5.25% and 5.25% to 6.25% as of January 3, 2021 and December 29, 2019, respectively. The Company's incremental borrowing rate was determined by calculations based on the interest rates on public debt securities issued by public companies with credit profiles similar to the Company's parent, IRB.

11. REVENUE RECOGNITION

Nature of Goods and Services

The Company generates revenues from sales at Company-operated restaurants and earns fees from franchised restaurants. The Company provides the use of trademarks, system, training, pre-opening assistance and restaurant operating assistance in exchange for area development fees, initial franchise fees and royalties based on a restaurant's sales.

An area development agreement establishes the number of restaurants that must be developed in a defined geographic area and the deadlines by which these restaurants must open. The area development agreement can be terminated by the Company if, among other reasons, the area developer fails to open restaurants on schedule. The Company's franchisees execute a separate franchise agreement for each restaurant opened, providing for a 10 to 20-year initial term. These agreements also include multiple extension terms of five or ten years, depending on contract terms if certain conditions are met.

The Company owns and leases sites from third parties. Noncancelable lease terms are generally initially between 10 and 15 years and, in most cases, provide for rent escalations and renewal options.

The Company assesses franchisees an advertising fee that ranged between 3.1% and 3.75% of their restaurant sales. U.S. franchisees were required to contribute 2.75% to 3.25% to the Company's National Advertising Fund (NAF) and the remainder, up to 0.5%, was required to be spent directly by the franchisee or through marketing co-ops in the applicable local market.

Disaggregation of Revenue

The following table disaggregates revenue by source:

<i>(dollars in thousands)</i>	<u>Successor</u>		<u>Successor</u>	<u>Predecessor</u>
	Year Ended January 3, 2021	Year Ended December 29, 2019	February 5, 2018 through December 30, 2018	January 1, 2018 through February 4, 2018
Company-owned restaurant revenues	\$ 1,693,698	\$ 1,937,195	\$ 1,706,626	\$ 185,618
Franchise royalty revenue	74,459	94,090	85,977	9,282
Advertising funds revenue	59,656	52,684	57,064	6,004
Franchise fees and other revenue	11,597	2,055	989	106
Total revenues	<u>\$ 1,839,410</u>	<u>\$ 2,086,024</u>	<u>\$ 1,850,656</u>	<u>\$ 201,010</u>

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Contract Liabilities

The following tables provide information about contract liabilities (deferred franchise fees included in “accrued expenses and other current liabilities” and “other liabilities”) from contracts with customers and timing of revenue recognition related to the deferred franchise fees:

<i>(dollars in thousands)</i>		Contract Liabilities
Balance at December 30, 2018 (Successor)	\$	11,374
Revenue recognized during the period		(1,119)
New deferrals due to cash received and other		841
Balance at December 29, 2019 (Successor)	\$	11,096
Revenue recognized during the period		(1,520)
New deferrals due to cash received and other		483
Balance at January 3, 2021 (Successor)	\$	<u>10,059</u>
Fiscal Year		Total
2021	\$	867
2022		857
2023		839
2024		807
2025		765
Thereafter		5,924
	\$	<u>10,059</u>

12. INCOME TAXES

Income before income taxes for the years ended January 3, 2021 and December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period is set forth below:

<i>(dollars in thousands)</i>	<u>Successor</u>		<u>Successor</u>	<u>Predecessor</u>
	<u>Year Ended January 3, 2021</u>	<u>Year Ended December 29, 2019</u>	<u>February 5, 2018 through December 30, 2018</u>	<u>January 1, 2018 through February 4, 2018</u>
Domestic	\$ (256,376)	\$ 120,082	\$ 64,062	\$ (60,611)
Foreign	230	(3,302)	(4,106)	(18)
Income (loss) before income taxes	<u>\$ (256,146)</u>	<u>\$ 116,780</u>	<u>\$ 59,956</u>	<u>\$ (60,629)</u>

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Income tax expense (benefit) is set forth below:

<i>(dollars in thousands)</i>	<u>Successor</u>		<u>Successor</u>	<u>Predecessor</u>
	Year Ended January 3, 2021	Year Ended December 29, 2019	February 5, 2018 through December 30, 2018	January 1, 2018 through February 4, 2018
U.S. federal	\$ (5,062)	\$ 11,834	\$ 103	\$ 3,986
State	1,251	4,836	2,377	1,780
Foreign	342	767	495	47
Current tax expense (benefit)	(3,469)	17,437	2,975	5,813
U.S. federal	(61,873)	3,467	(2,055)	(13,609)
State	(9,472)	4,771	(1,406)	(2,093)
Foreign	—	—	695	(703)
Deferred tax expense (benefit)	(71,345)	8,238	(2,766)	(16,405)
Income tax expense (benefit)	<u>\$ (74,814)</u>	<u>\$ 25,675</u>	<u>\$ 209</u>	<u>\$ (10,592)</u>

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act made broad and complex changes to the U.S. federal tax code, including a permanent corporate rate reduction to 21% and a transition to a territorial international system effective in 2018.

The Tax Act enacted additional provisions that took effect in 2018, including, but not limited to, (1) a provision that imposes U.S. tax on certain foreign subsidiary income known as Global Intangible Low-Taxed Income, and (2) additional limitations on net operating loss carryforwards and tax deductions for expenses such as interest. We included the impact of each of the newly effective Tax Act provisions in our computation of 2018, 2019 and 2020 income tax expense.

On March 27, 2020, the U.S. government enacted the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The CARES Act includes, but is not limited to, tax law changes related to (1) accelerated depreciation deductions for qualified improvement property placed in service after September 27, 2017, (2) reduced limitation of interest deductions, and (3) temporary changes to the use and limitations of NOLs. As a result of the CARES Act, the Company recorded a discrete net income tax benefit of \$5.3 million in 2020.

Deferred tax assets (liabilities) as of January 3, 2021 and December 29, 2019 are set forth below:

<i>(dollars in thousands)</i>	<u>Successor</u>	
	<u>2020</u>	<u>2019</u>
Deferred tax assets:		
Net operating loss and tax credit carryforwards	\$ 16,100	\$ 11,652
Operating lease liabilities	120,861	—
Franchise rights	17,889	19,982
Other	39,232	22,021
Valuation allowance	(11,844)	(11,505)
Total deferred tax assets	<u>182,238</u>	<u>42,150</u>
Deferred tax liabilities:		
Intangible asset - trademark/trade name	(366,227)	(424,001)
Operating lease assets	(114,699)	—
Property, equipment and software	(43,491)	—
Owned and leased properties and related obligations	—	(28,888)
Other	(10,321)	(14,932)
Total deferred tax liabilities	<u>(534,738)</u>	<u>(467,821)</u>
Net deferred tax liability	<u>\$ (352,500)</u>	<u>\$ (425,671)</u>

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The gross amount and expiration dates of operating loss and tax credit carryforwards as of January 3, 2021 are set forth below:

<i>(dollars in thousands)</i>	<u>Successor</u>		<u>Expiration Date</u>
	<u>Amount</u>	<u>Valuation Allowance</u>	
U.S. federal general business credits	\$ 4,162	\$ —	2040
U.S. federal foreign tax credit	1,032	—	2023-2028
Canadian net operating losses	7,766	(7,766)	2030-2039
Various state net operating losses	953	(40)	2025-2040
Various state net operating losses	168	—	Indefinite
Various state credits	2,853	(1,536)	2022-2024
	<u>\$ 16,934</u>	<u>\$ (9,342)</u>	

Changes in the valuation allowance on deferred tax assets for the years ended January 3, 2021, December 29, 2019 and December 30, 2018 are set forth below:

<i>(dollars in thousands)</i>	<u>Successor</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Beginning balance	\$ 11,505	\$ 11,721	\$ 8,901
Additions due to acquisition	—	—	603
Changes due to current year activity	(34)	803	1,045
Adoption of ASC 842	433	—	—
Change in estimate recorded to deferred income tax expense	—	(1,071)	1,104
True-ups from changes in losses and credits	(60)	52	68
Ending balance	<u>\$ 11,844</u>	<u>\$ 11,505</u>	<u>\$ 11,721</u>

Management believes that it is more likely than not that the benefit from certain state and foreign net operating loss and credit carryforwards will expire unused and will not be realized. During the year ended January 3, 2021, the valuation

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allowance increased due to the adoption of ASC 842, offset by the provision estimates of foreign attributes. Management expects all U.S. federal credit carryforwards to be fully utilized before expiration.

The Company's effective tax rates for the years ended January 3, 2021 and December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period were 29.2%, 22.0%, 0.3% and 17.5%, respectively. The provision for income taxes differs from the amount computed by applying the federal income tax rate as follows:

	<u>Successor</u>		<u>Successor</u>	<u>Predecessor</u>
	Year Ended January 3, 2021	Year Ended December 29, 2019	February 5, 2018 through December 30, 2018	January 1, 2018 through February 4, 2018
<i>(dollars in thousands)</i>				
Income tax (benefit) provision at the U.S. federal statutory rate	\$ (53,791)	\$ 24,524	\$ 12,591	\$ (12,732)
State income tax (benefit) expense, net of U.S. federal income tax effect	(6,483)	7,599	791	(201)
U. S. federal tax credits, net of U.S. federal income tax effect	(8,259)	(12,742)	(13,350)	(1,007)
Prior year adjustments	1,514	2,124	(2,757)	(433)
CARES Act	(5,299)	—	—	—
Tax Act impact	—	—	967	—
Non deductible transaction costs	—	—	—	2,436
Federal uncertain tax positions	452	2,733	343	1,305
Costs and taxes related to foreign operations	277	461	1,197	11
Other	(3,225)	976	427	29
Total income tax expense (benefit)	<u>\$ (74,814)</u>	<u>\$ 25,675</u>	<u>\$ 209</u>	<u>\$ (10,592)</u>

The U.S. federal income tax returns for all years ended through December 25, 2016 are settled. The U.S. federal income tax returns for the periods ended January 3, 2021, December 29, 2019, December 30, 2018, February 4, 2018, and December 31, 2017 remain subject to examination. With limited exceptions, certain of the Company's state income tax returns from fiscal year 2013 forward remain subject to examination. Various state income tax returns are currently under examination.

Uncertain Tax Positions

As of January 3, 2021 (Successor), December 29, 2019 (Successor), December 30, 2018 (Successor) and February 4, 2018 (Predecessor), the Company had unrecognized tax benefits of \$6.7 million, \$5.7 million, \$4.7 million and \$6.7 million,

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respectively, which if resolved favorably would reduce income tax expense by \$6.0 million, \$5.3 million, \$2.5 million and \$2.9 million, respectively.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

<i>(dollars in thousands)</i>	<u>Successor</u> Year Ended January 3, 2021	<u>Successor</u> Year Ended December 29, 2019	<u>Successor</u> February 5, 2018 through December 30, 2018	<u>Predecessor</u> January 1, 2018 through February 4, 2018
Beginning balance	\$ 5,715	\$ 4,746	\$ 6,686	\$ 1,944
Additions:				
Tax positions related to current year	587	90	67	175
Tax positions of prior years	787	3,865	3	5,436
Reductions:				
Tax positions related to current year	(69)	(1,769)	(1,462)	—
Tax positions of prior years	—	—	(387)	(807)
Settlements	—	—	(25)	(62)
Lapse of statute of limitations	(320)	(1,217)	(136)	—
Ending balance	<u>\$ 6,700</u>	<u>\$ 5,715</u>	<u>\$ 4,746</u>	<u>\$ 6,686</u>

During the fiscal year ending January 2, 2022, the Company believes a reduction of unrecognized tax benefits by up to \$4.1 million is reasonably possible, primarily as a result of the expiration of statutes of limitations.

During the years ended January 3, 2021 and December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period, the Company increased/(reduced) interest expense by \$0.2 million, \$0.1 million, \$0.2 million and \$0.3 million and related penalties by \$0.3 million, \$(0.0) million, \$0.2 million and \$0.7 million, respectively, related to Uncertain Tax Positions. As of January 3, 2021 and December 29, 2019, the Company had approximately \$1.1 million and \$0.8 million, respectively, accrued for interest and \$1.2 million and \$0.9 million, respectively, accrued for penalties related to Uncertain Tax Positions.

13. SHARE-BASED COMPENSATION

Certain of the Company's key employees and board members were previously granted awards under the Maverick's, Inc. 2014 Stock Option Plan and the ARG Investment Corporation 2011 Stock Option Plan. On December 2, 2019 ("Modification Date"), these plans were assumed by Inspire.

As a result, Inspire maintains three equity incentive plans:

- The Inspire Brands, Inc. 2016 Stock Option Plan ("2016 Plan"), formerly the Jimmy John's, LLC Plan;
- The Inspire Brands, Inc. 2014 Stock Option Plan ("2014 Plan"), formerly the Mavericks, Inc. 2014 Stock Option Plan; and
- The Inspire Brands, Inc. 2011 Stock Option Plan ("2011 Plan"), formerly the ARG Investment Corporation 2011 Stock Option Plan (collectively, the "Plans").

Under these Plans, and subject to the terms of the underlying awards, each option holder is awarded the right to purchase shares of Inspire common stock.

Additionally, at the Modification Date, Inspire modified the exercise price and number of previously granted options for the 2011 Plan, 2014 Plan, and 2016 Plan, solely as necessary to reflect changes in capitalization. As of the Modification Date and as of January 3, 2021 and December 29, 2019, there were no awards to the Company's employees under the 2016 Plan. Shares authorized under each Plan were also modified solely as necessary to reflect changes in capitalization.

Certain of the Company's key employees and board members have been granted awards under the 2011 Plan. There are 341,049 shares of Inspire common stock authorized for issuance under the 2011 Plan, and as of January 3, 2021, there were no remaining shares of Inspire common stock available for future awards. Stock options awarded under the 2011 Plan generally have a contractual term of 10 years and an exercise price equal to the estimated fair value of the underlying shares

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of common stock on the date of grant. Generally, each award vests upon the achievement of defined performance targets and/or in installments on defined anniversary dates over a service period of four years.

Certain of the Company's key employees and board members have been granted stock options under the 2014 Plan. There are 602,822 shares of Inspire common stock authorized for issuance under the 2014 Plan, and as of January 3, 2021, there were 76,139 remaining shares of Inspire common stock available for future awards. Stock options awarded under the 2014 Plan have a contractual term of 10 years and an exercise price equal to the estimated fair value of the underlying shares of common stock on the date of grant. Generally, each award vests upon the achievement of defined performance targets and/or in installments on defined anniversary dates over a service period of four years.

The following table summarizes share-based compensation activity under the Plans for the period ended January 3, 2021:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)
Outstanding at December 29, 2019	33,946	332.98	
Granted	3,839	625.25	
Exercised	(2,261)	105.72	
Forfeited	(1,393)	436.47	
Cancelled	(935)	\$ 420.17	
Outstanding at January 3, 2021	33,196	375.47	6.7
Vested or expected to vest at January 3, 2021	33,196	\$ 375.47	6.7
Exercisable at January 3, 2021	23,000	\$ 298.20	5.8

For the years ended January 3, 2021 and December 29, 2019, and the 2018 Successor Period, the Company recorded \$0.8 million, \$1.0 million and \$0.6 million of compensation expense for stock option awards issued under the 2014 Plan, respectively. Such compensation expense is included in "General and administrative" and as "Additional paid-in capital." In addition, the Company recorded incremental expense of \$1.0 during the year ended December 29, 2019 related to the stock option modification on December 3, 2019. For the years ended January 3, 2021 and December 29, 2019, the weighted average grant-date fair value of options awarded was \$239 and \$310 per option, respectively. For the year ended December 30, 2018, the pre-modification weighted average grant-date fair value of options awarded was \$8,058 per option.

For the year ended January 3, 2021, Inspire received \$0.2 million from the exercise of stock options. The total intrinsic value of the shares exercised in 2020 was \$1.2 million. There were no options exercised in 2019 or during the 2018 Successor Period. For stock options issued and outstanding at January 3, 2021, the Company expects to recognize \$2.1 million of additional expense over the remaining weighted average service period of 1.9 years.

The determination of fair value was based on the following assumptions:

	2020	2019	2018
Risk-free rate	0.4% to 1.0%	1.8%	2.7% to 2.9%
Expected term	6.2 years	6.2 years	6 years
Expected volatility	35.3% to 39.6%	26.8%	34% to 35%
Dividend yield	0%	0%	0%

The risk-free interest rate assumption is based upon the grant date or modification date closing rate for U.S. Treasury notes that have a term approximating the expected term of the related options. The expected term is estimated to be between the latest date on which options vest and the contractual term. The expected volatility is based on the average historical volatility of similar companies in the Company's industry. The dividend yield assumption is based on the Company's expectation that it will not pay dividends for the foreseeable future.

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14. RETIREMENT BENEFIT PLAN

The Company has a 401(k) defined contribution plan (the “401(k) Plan”) in which all employees who meet certain minimum requirements may elect to participate. The 401(k) Plan permits employees to contribute pre-tax earnings, subject to certain limitations. The 401(k) Plan provides for employer matching contributions of up to 4% of eligible compensation. In connection with the matching contributions, the Company recorded expense of \$3.6 million, \$3.3 million, \$3.8 million and \$0.4 million for the years ended January 3, 2021 and December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period, respectively.

The Company had a deferred compensation plan for its executive officers and certain other individuals are entitled to receive an amount equal to a percentage of their base salary ranging from 5.0% to 12.5% which is credited on a monthly basis to their deferred compensation account. There were no cash contributions during the year ended December 29, 2019. In January 2019, the Company’s deferred compensation plan was settled and all assets were distributed to participants.

15. GUARANTEES AND OTHER COMMITMENTS AND CONTINGENCIES

Term Loans and Revolving Credit Facility Guarantee

IRB entered into a credit agreement (the “IRB 2018 Credit Agreement”) that provides for secured credit facilities, which include Term Loan facilities (the “IRB Term Loans”) and a revolving credit facility (the “IRB 2018 Revolving Credit Facility”) with revolving loans up to an aggregate maximum of \$250 million.

During the first fiscal quarter of 2020, the Company entered into an amendment (the “Second Amendment”) to the IRB 2018 Credit Agreement under which the Applicable Margin for the Term Loan B Facility and the IRB 2018 Revolving Credit Facility has been reduced by 50 basis points, from 3.25% to 2.75%. The remaining provisions of the IRB Credit Agreement remain substantially unchanged, including the outstanding principal amount as of the Second Amendment closing date and the maturity date of February 5, 2025.

In conjunction with the acquisition of Dunkin Brands Group, Inc. during fiscal year 2020, IRB entered into an incremental Term Loan B facility of \$2.6 billion and increased the capacity on the IRB 2018 Revolving Credit Facility to an aggregate maximum of \$490 million. The IRB 2018 Revolving Credit Facility is available until December 15, 2025.

The following table summarizes the borrowings outstanding under the IRB 2018 Credit Agreement as of January 3, 2021 and December 29, 2019:

<i>(dollars in thousands)</i>	Issuance Date	Maturity Date	2020		2019	
			Outstanding Principal	Effective Interest Rate ^(c)	Outstanding Principal	Effective Interest Rate ^(c)
Term Loan B Facility ^{(a)(c)}	February 2018	February 2025	\$ 2,533,509.00	4.26 %	\$ 2,566,073.00	5.00 %
Term Loan B Facility ^{(b)(c)}	December 2020	December 2027	2,575,000.00	4.77 %	—	—
Total IRB Term Loans			\$ 5,108,509.00		\$ 2,566,073.00	
Revolving Credit Facility	February 2018	February 2025	\$ 150,000.00	(c)	\$ 140,000.00	(c)

- (a) The principal amount of the term loan amortizes in quarterly installments equal to 0.25% of the original principal amount through December 31, 2024, with the remaining balance payable on February 5, 2025.
- (b) The principal amount of the new Term Loan amortizes in quarterly installments equal to 0.25% of the original principal amount through September 30, 2027, with the remaining balance payable on December 15, 2027.
- (c) The IRB Term Loans and borrowings under the 2018 Revolving Credit Facility bear interest at either (1) 2.25% plus the greater of (a) the Federal Funds Effective Rate plus 0.50%, (b) the Prime Rate, (c) the monthly Adjusted London InterBank Offered Rate (“Adjusted LIBOR”) applicable to dollar borrowings, plus 1.00%, or (2) 3.25% plus the greater of (a) LIBOR divided by one minus the statutory reserves applicable to Eurocurrency borrowing, (b) 1.0%.

The 2018 Credit Agreement contains customary provisions relating to mandatory prepayments, voluntary prepayments, conditions to borrowings and issuances of letters of credit under the 2018 Revolving Credit Facility, representations and warranties, affirmative covenants, negative covenants and events of default. All obligations under the 2018 Credit Agreement are guaranteed by the Company and its subsidiaries and secured by substantially all assets of the Company and its subsidiaries.

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IRB Senior Notes Guarantee

IRB entered into an indenture and issued notes in an aggregate principal amount of \$485.0 million (the “2018 Notes”), which have a 6.75% fixed rate. Interest payments on the 2018 Notes are payable semi-annually in arrears on April 15 and October 15 of each year, which commenced on October 15, 2018. The maturity date of the 2018 Notes is February 15, 2026.

The 2018 Notes are senior unsecured obligations of IRB and effectively subordinated to all secured indebtedness of IRB. The 2018 Notes are guaranteed, on a senior unsecured basis, by the Company.

During 2020, IRB entered into an indenture and issued notes in an aggregate principal amount of \$750 million (the “2020 Notes”), which have a 7.0% fixed rate. Interest payments on the 2020 Notes are payable semi-annually in arrears on June 15 and December 15 of each year, which commenced on December 15, 2020. The maturity date of the 2020 Notes is June 15, 2025.

The 2020 Notes are senior secured obligations of IRB. The 2020 Notes are guaranteed, on a senior secured basis, by the Company.

Contingent Liabilities

The Company is self-insured for most workers’ compensation and general liability claims subject to self-insured retention limits of \$0.5 million and \$1.3 million per occurrence, respectively, and determines its liabilities for claims incurred but not reported on an actuarial basis. The Company is self-insured for health care claims, subject to a self-insured retention limit of \$0.5 million per claim per calendar year accumulation of claims per member for eligible participating employees subject to certain deductibles and limitations, and determines its liability for health care claims incurred but not reported based on historical claims data.

Purchase Commitments

Beverage Agreements

Beverage purchases the Company made under various agreements for the years ended January 3, 2021 and December 29, 2019, the 2018 Successor Period and the 2018 Predecessor Period were \$6.9 million, \$10.5 million, \$9.5 million and \$1.1 million, respectively. The Company’s average annual purchases under these agreements are estimated to be \$10.0 million over the next year. Based on current prices and the current ratio of sales at Company-owned restaurants to franchised restaurants, the Company’s total remaining beverage purchase commitment is estimated to be \$10.7 million over the remaining life of the contracts.

Advertising Commitments

The Company had purchase commitments of \$1.5 million at January 3, 2021 related to execution of its advertising strategy, including agency fees and media buy obligations for fiscal 2021. Because most media purchase commitments can be canceled within 30 days of scheduled broadcast and the agency service agreement can be terminated within 90 days, the Company does not believe that termination of these agreements would have a significant impact on its operations.

16. TRANSACTIONS WITH RELATED PARTIES

During fiscal 2018, Inspire established a shared service center. As a result, shared service costs from that date have been directly incurred by Inspire and were allocated to BWB based on budgeted revenues. Shared service costs of \$90.8 million, \$95.0 million and \$88.0 million for the years ended January 3, 2021, December 29, 2019 and the 2018 Successor Period are included in “General and administrative”, respectively. As a result of these allocations, BWB’s results of operations may not be indicative of those that would be achieved if they had operated on a stand-alone basis. In addition, during the years ended January 3, 2021 and December 29, 2019, the Company paid cash dividends to Inspire of \$93.5 million and \$91.7 million, respectively.

17. LEGAL AND ENVIRONMENTAL MATTERS

The Company is involved in various litigation and claims incidental to its business. Although the outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company, based on currently available information, including legal defenses available to the Company and its legal reserves and insurance

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coverages, the Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flows.

GUARANTEE OF PERFORMANCE

GUARANTEE OF PERFORMANCE

For value received, **Buffalo Wild Wings, Inc.**, a Minnesota corporation (the "Guarantor"), located at Three Glenlake Parkway NE, Atlanta, Georgia 30328, absolutely and unconditionally guarantees to assume the duties and obligations of **Buffalo Wild Wings International, Inc.**, located at Three Glenlake Parkway NE, Atlanta, Georgia 30328 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its **2023** Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Atlanta, Georgia, on this 21 day of March 2023.

GUARANTOR:

BUFFALO WILD WINGS, INC.


By: 
Name: Lisa P. Storey
Title: Vice President, Franchise Counsel

EXHIBIT C

FRANCHISE AGREEMENT (INCLUDING APPENDICES AND ADDENDUM)

**Buffalo Wild Wings® Sports Bar
Franchise Agreement**

between

**Buffalo Wild Wings International, Inc.
Three Glenlake Parkway NE
Atlanta, GA 30328**

and

Name of Franchisee(s)

Street Address

City State Zip Code

Phone Number

Authorized Location:

Street

City State Zip Code

Effective Date:

(To be completed by us)

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BUFFALO WILD WINGS® FRANCHISE AGREEMENT

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BUFFALO WILD WINGS® FRANCHISE AGREEMENT

This Franchise Agreement is made this ____ day of _____, 20__ between BUFFALO WILD WINGS INTERNATIONAL, INC., an Ohio corporation with its principal business located at Three Glenlake Parkway NE, Atlanta, Georgia 30328 (“we” or “us”), and _____, a(n) _____ whose principal business address is _____ (“you”).

RECITALS

A. Our parent company has developed a system for sports entertainment-oriented, casual/fast casual restaurants/sports bars that feature chicken wings, sandwiches and other products, beverages and services using our certain standards and specifications and otherwise operate under the System (defined below) and the Trademarks (defined below) (“Buffalo Wild Wings Sports Bars”);

B. Many of the food and beverage products are prepared according to specified recipes and procedures, some of which include proprietary sauces and mixes;

C. Our parent company owns the BUFFALO WILD WINGS® Trademark and other trademarks used in connection with the operation of a Buffalo Wild Wings Sports Bar;

D. Our parent company has granted to us the right to sublicense the right to develop and operate Buffalo Wild Wings Sports Bars; and

E. You desire to develop and operate a Buffalo Wild Wings Sports Bar and we, in reliance on your representations, have approved your franchise application to do so in accordance with this Agreement.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

DEFINITIONS

1. For purposes of this Agreement, the terms below have the following definitions:

A. “Control Person” means the individual who has the authority to, and does in fact, actively direct your business affairs in regard to the Sports Bar, is responsible for overseeing the general management of the day-to-day operations of the Sports Bar and has authority to sign on your behalf on all contracts and commercial documents. The Control Person as of the Effective Date is identified on the Ownership and Management Addendum attached to this Agreement.

B. “Competitive Business” means any restaurant or other foodservice business (whether or not operating from a retail location) that (i) generates, or is reasonably expected to generate, at least twenty percent (20%) of its revenue during any six (6)-month period from the sale of chicken wings, chicken tenders or other chicken pieces, whether at wholesale or retail, other than another Buffalo Wild Wings Sports Bar or BWW-GO restaurant operated under an effective franchise agreement with us; (ii) serves draft beer from fifteen (15) or more taps; or (iii) has more than five (5) screens for television or gaming purposes, or that subscribes to or offers sports subscription programming (other than as provided under customary cable or network television programming).

C. “Gross Sales” includes the total revenues and receipts from the sale of all products, services and merchandise sold in or in relation to your Sports Bar whether under any of the Trademarks or otherwise, including any cover charges or fees, fees or charges for any vending, gaming or similar activities or other equipment in your Sports Bar or on its premises, fees or charges for any catering and other off-site activities and events, and all license and use fees. However, Gross Sales excludes sales taxes, promotions, voids and discounts.

D. “Menu Items” means the chicken wings, sandwiches and other products and beverages prepared according to our specified recipes and procedures, as we may modify and change them from time to time, that we periodically authorize for sale at your Sports Bar.

E. “Principal Owner” means any person or entity who, now or hereafter, directly or indirectly owns a 10% or greater interest in you (where you are a corporation, limited liability company, partnership or other business entity). However, if we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications of any person or entity who directly or indirectly owns less than a 10% interest in you, we have the right to designate that person or entity as a Principal Owner for all purposes under this Agreement. In addition, if you are a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is a Principal Owner, regardless of the percentage ownership interest. If you sign this Agreement as one or more individuals, each individual is a Principal Owner. You must have at least one Principal Owner. Your Principal Owner(s) as of the Effective Date are identified on the Ownership and Management Addendum attached to this Agreement. Every time there is a change in the persons who are your Principal Owners, you must, within 10 days from the date of each such change, update the Ownership and Management Addendum. As used in this Agreement, any reference to Principal Owner includes all Principal Owners.

F. “Sports Bar” means the Buffalo Wild Wings Sports Bar you develop and operate pursuant to this Agreement.

G. “System” means the Buffalo Wild Wings® System, which consists of distinctive food and beverage products prepared according to special and confidential recipes and formulas with distinctive storage, preparation, service and delivery procedures and techniques, offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials and using certain distinctive types of facilities, equipment, supplies, ingredients, business techniques, methods and procedures, together with sales promotion programs, all of which we may modify and change from time to time.

H. “Trademarks” means the Buffalo Wild Wings® trademark and service mark and other trademarks, service marks, trade names and logos, as we may modify and change them from time to time, and the Trade Dress and other commercial symbols used in the Sports Bar. For purposes of this Agreement, “Trade Dress” includes the designs, color schemes and image we authorize you to use in the operation of the Sports Bar from time to time, as we may periodically modify them.

I. “Unit General Manager” means the individual who (i) personally invests his or her full time and attention and devotes his or her best efforts to the on-premises general management of the day-to-day operations of the Sports Bar and (ii) meets our training requirements.

GRANT OF LICENSE

2. The following provisions control with respect to the license granted hereunder:

A. Authorized Location. We grant to you the right and license to establish and operate a retail Buffalo Wild Wings Sports Bar identified by the Trademarks to be located at the premises that you have selected which is identified on Appendix C or, if no location is identified on the Effective Date, at a location that you propose and we accept within 90 days after the Effective Date (the “Authorized Location”). If the Authorized Location is not identified on the Effective Date, then you must promptly deliver to us for our review a complete site report and related information for a suitable site for a Buffalo Wild Wings Sports Bar. We will either accept or reject your proposed site based on our then current site selection policies and procedures. When a location has been designated by you and accepted by us, it will become part of Appendix C as if originally stated. You acknowledge and agree that our acceptance of a site does not constitute a warranty of any kind, express or implied, as to the suitability of the site for your Sports Bar or of the likelihood that a Buffalo Wild Wings Sports Bar will succeed at that site. You acknowledge and agree that your acceptance of a franchise for the operation of a Sports Bar at this Authorized Location is based on your own independent investigation. If an Authorized Location is not designated by you and accepted by us within 90 days after the Effective Date, we may terminate this Agreement without opportunity to cure pursuant to subparagraph 13.B.2 and without the return of any Initial Franchise Fee or other amounts paid to us. You accept the license and undertake the obligation to operate the Sports Bar at the Authorized Location using the Trademarks and the System in compliance with the terms and conditions of this Agreement.

B. Designated Area. You must locate and operate the Sports Bar at an Authorized Location within the area described in Appendix C (the “Designated Area”). If you have not located an accepted Authorized Location when we and you sign this Agreement, then after you sign a lease for the accepted Authorized Location, we will define the Designated Area based on the factors that we deem relevant, which might include demographics, the character of the Authorized Location and nearby businesses and residences. We will insert the Designated Area’s description in an amended and restated Appendix C. You must use your best efforts to promote and increase the sales and service of Menu Items and to effect the widest and best possible distribution throughout the Designated Area.

To the extent that you and your affiliates are in compliance with the terms of this Agreement and any other agreements with us and our affiliates, we and our affiliates will not locate and operate or grant to anyone else a franchise to locate and operate a Buffalo Wild Wings Sports Bar within the Designated Area so long as this Agreement is in effect, except for Buffalo Wild Wings Sports Bars located at Non-Traditional Locations (defined below) within the Designated Area and as set forth in subparagraph 2.E. You do not have any right to sublicense or subfranchise within or outside of the Designated Area and do not have the right to operate more than one Sports Bar within the Designated Area.

You acknowledge and agree that certain locations within and outside the Designated Area are by their nature unique and separate in character from sites generally developed as Buffalo Wild Wings Sports Bars. As a result, you agree that the following locations (“Non-Traditional Locations”) are excluded from the Designated Area, and we have the right to develop, license or franchise Buffalo Wild Wings Sports Bars at such locations, whether those locations are within or outside the Designated Area: any permanent or temporary food service facility that operates (1) under one or more of the Trademarks and all or part of the System, and (2) at locations that do not feature unlimited and unrestricted access to the general public. Non-Traditional Locations

include, but are not limited to: (a) military bases and other governmental facilities; (b) universities, schools and other education facilities; (c) airports, train stations, toll plazas and other public or restricted-access transportation facilities or terminals; (d) stadiums, arenas, theaters and other sports and entertainment venues; (e) amusement parks, theme parks, museums, zoos, and other similar public facilities; (f) cafeterias, food courts and other foodservice locations within shopping centers, shopping malls, office buildings/corporate campuses, industrial buildings, and department stores, grocery stores, and similar retail stores; (g) hotels, casinos and convention centers; (h) hospitals, nursing facilities and other medical facilities; and (i) reservations and other sovereign territories.

C. Opening. You agree that the Sports Bar will be open and operating in accordance with the provisions of this Agreement by the required open date set forth in Appendix C (“Required Open Date”). You agree not to open the Sports Bar until: (1) you have properly developed and equipped the Sports Bar according to our standards and specifications and in compliance with all applicable laws and regulations; (2) all pre-opening training for the Sports Bar’s personnel has been completed to our satisfaction; (3) you have given us evidence of required insurance coverage and payment of premiums and a copy of the fully-signed Lease; (4) you have obtained all required zoning, building, utility, health, sanitation, liquor and sign permits and licenses and any other required permits and licenses; and (5) if we (at our sole option) require, we have conducted a pre-opening inspection and/or have certified the Sports Bar for opening. Our determination that you have met our pre-opening requirements will not constitute a waiver of your non-compliance or of our right to demand full compliance with those requirements. If you fail to have your Sports Bar open and in operation according to the provisions of this subparagraph 2.C, we will have the right to terminate this Agreement without opportunity to cure pursuant to subparagraph 13.B.2.

D. Nonexclusivity; Our Reservation of Rights. The license is limited to the right to develop and operate one Sports Bar at the Authorized Location located in the Designated Area, and does not include (i) any right to sell products and Menu Items identified by the Trademarks at any location other than the Authorized Location, except for authorized catering and delivery services in accordance with this Agreement, or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), (ii) any right to sell products and Menu Items identified by the Trademarks to any person or entity for resale or further distribution, or (iii) any right to exclude, control or impose conditions on our development of future franchised, company or affiliate-owned restaurants (whether under the Trademarks or different trade names and trademarks) at any time, within or outside of the Designated Area (except as set forth in subparagraphs 2.B and 2.E). We (on behalf of ourselves and on behalf of any other entity which we may acquire, or be acquired by, or otherwise are or become affiliated with) retain all rights not expressly granted in this Agreement. You acknowledge that the consumer service area or trade area of another Buffalo Wild Wings Sports Bar may overlap with your Designated Area.

You also acknowledge and agree that we and our affiliates have the right to operate and franchise others the right to operate restaurants or any other business for the same, similar or different products or services, both within and outside the Designated Area, under trademarks other than the BUFFALO WILD WINGS® Trademarks, without compensation to any franchisee. Except as set forth in subparagraphs 2.B and 2.E, we and our affiliates have the right to grant other franchises or develop and operate company or affiliate owned restaurants and/or otherwise offer, sell or distribute any products or services, including those associated with the System under the Trademarks or any other trademarks, service marks or trade names, all without compensation to any franchisee. Further, and as noted above, we and our affiliates have the right to offer, sell or

distribute, within and outside the Designated Area, through any other (i.e., non-restaurant) distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. The other distribution channels or methods include grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce).

E. Limited Seating Facilities. In addition, you acknowledge and agree that, subject to your right of first refusal as set forth below, we and our affiliates have the right to operate or franchise within and outside the Designated Area one or more facilities selling, for dine in, take out, catering or delivery, all or some of the Menu Items, using the Trademarks or any other substantially similar trademarks, service marks or trade names (for example, “B-Dubs”), without compensation to any franchisee, provided, however, that such facilities shall not have an interior area larger than 2,700 square feet and shall not have seating capacity for more than 60 people (“Limited Seating Facilities”).

We have developed a model for a Limited Seating Facility model, but it is under refinement and may change. If we determine that your Designated Area is an appropriate market for such a facility, we will provide to you a written offer (“Offer”) specifying the terms and conditions for your development of the Limited Seating Facility. You will have 90 days following your receipt of the Offer to accept the Offer by delivering written notice to us of your acceptance, provided that you are not in default under this Agreement or any other Agreement with us or our affiliates. If you do not provide written notice to us within the time period or if you are in default under this Agreement or any other agreement with us or our affiliates, you will lose the right to develop the Limited Seating Facility and we may develop or franchise to others to develop the Limited Seating Facility within your Designated Area. You acknowledge and agree that if you accept the Offer, we may require you to submit a full application, pay an initial fee and sign a new form of franchise agreement.

TRADEMARK STANDARDS AND REQUIREMENTS

3. You acknowledge and agree that the Trademarks are our parent company’s property and it has licensed the use of the Trademarks to us with the right to sublicense to others. You further acknowledge that your right to use the Trademarks is specifically conditioned upon the following:

A. Trademark Ownership. The Trademarks are our parent company’s valuable property, and it is the owner of all right, title and interest in and to the Trademarks and all past, present or future goodwill of the Sports Bar and of the business conducted at the Authorized Location that is associated with or attributable to the Trademarks. Your use of the Trademarks will inure to our parent company’s benefit. You may not, during or after the term of this Agreement, engage in any conduct directly or indirectly that would infringe upon, harm or contest our parent company’s rights in any of the Trademarks or the goodwill associated with the Trademarks, including any use of the Trademarks in a derogatory, negative, or other inappropriate manner in any media, including print or electronic media.

B. Trademark Use. You may not use, or permit the use of, any trademarks, trade names or service marks in connection with the Sports Bar except the Trademarks or except as we otherwise direct in writing. You may use the Trademarks only in connection with such products and services as we specify and only in the form and manner we prescribe in writing. You must

comply with all trademark, trade name and service mark notice marking requirements. You may use the Trademarks only in association with products and services approved by us and that meet our standards or requirements with respect to quality, mode and condition of storage, production, preparation and sale, and portion and packaging.

C. Sports Bar Identification. You must use the name BUFFALO WILD WINGS® (or such other name that we specify) as the trade name of the Sports Bar and you may not use any other mark or words to identify the Sports Bar without our prior written consent. You may not use the phrase “Buffalo Wild Wings” or any of the other Trademarks as part of the name of your corporation, partnership, limited liability company or other business entity. You may use the Trademarks on various materials, such as business cards, stationery and checks, provided you (i) accurately depict the Trademarks on the materials as we prescribe, (ii) include a statement on the materials indicating that the business is independently owned and operated by you, (iii) do not use the Trademarks in connection with any other trademarks, trade names or service marks unless we specifically approve in writing prior to such use, and (iv) make available to us, upon our request, a copy of any materials depicting the Trademarks. You must post a prominent sign in the Sports Bar identifying you as a BUFFALO WILD WINGS® franchisee in a format we deem reasonably acceptable, including an acknowledgment that you independently own and operate the Sports Bar, that the BUFFALO WILD WINGS® Trademark is owned by our parent company, and that your use of the Trademarks is under a license we have issued to you. All your internal and external signs must comply at all times with our outdoor/indoor guidelines and practices, as they are modified from time to time.

D. Litigation. In the event any person or entity improperly uses or infringes the Trademarks or challenges your use or our use or ownership of the Trademarks, we will control all litigation and we have the right to determine whether suit will be instituted, prosecuted or settled, the terms of settlement and whether any other action will be taken. You must promptly notify us of any such use or infringement of which you are aware or any challenge or claim arising out of your use of any Trademark. You must take reasonable steps, without compensation, to assist us with any action we undertake. We will be responsible for our fees and expenses with any such action, unless the challenge or claim results from your misuse of the Trademarks in violation of this Agreement, in which case you must reimburse us for our fees and expenses.

E. Changes. You may not make any changes or substitutions to the Trademarks unless we direct in writing. We reserve the right to change the Trademarks at any time. Upon receipt of our notice to change the Trademarks, you must cease using the former Trademarks and commence using the changed Trademarks, at your expense.

TERM AND RENEWAL

4. The following provisions control with respect to the term and renewal of this Agreement:

A. Term. The initial term of this Agreement commences on the Effective Date (as defined in paragraph 15.N) and expires 20 years after the Sports Bar opens for business unless this Agreement is sooner terminated in accordance with paragraph 13.

B. Renewal Term and Conditions of Renewal. You may renew your license for one renewal term of 10 years provided that: (i) you have given us written notice of your decision to renew at least 6 months but not more than 12 months prior to the end of the expiring term; (ii) you sign our then-current form of franchise agreement (modified to reflect that the agreement relates to the grant of a renewal), the terms of which may differ from this Agreement, including

higher fees and a modification to the Designated Area based on our then current criteria for determining designated areas; (iii) you have complied with the provisions of subparagraph 5.E regarding modernization and you perform any further items of modernization and/or replacement of the building, premises, trade dress, equipment and grounds as may be necessary for your Sports Bar to conform to the standards then applicable to new Buffalo Wild Wings Sports Bar, regardless of the cost of such modernizations and/or replacements, unless we determine that you should relocate your Sports Bar because your Authorized Location no longer meets our then-current site criteria, in which case you must comply with the 60, 90 and 180 day relocation requirements of subparagraph 5.D; (iv) you are not in default of this Agreement or any other agreement pertaining to the franchise granted, have satisfied all monetary and material obligations on a timely basis during the term and are in good standing; (v) if you are leasing the Sports Bar premises (and not subject to relocation under (iii) above), you have renewed the lease and have provided written proof of your ability to remain in possession of the premises throughout the renewal period; (vi) you comply with our then-current training requirements; (vii) you pay us, at time of execution of the new franchise agreement, a renewal fee in the amount of \$20,000; and (viii) you and your Principal Owners and guarantors execute a general release of claims in a form we prescribe.

C. Relocation Upon Renewal. If, as a condition of renewal, we require you to relocate your Sports Bar pursuant to subparagraph 4.B(iii) above, you may renew your license for 20 years, provided that with respect to the renewal, you meet all conditions stated in subparagraph 4.B.

FACILITY STANDARDS AND MAINTENANCE

5. You acknowledge and agree that we have the right to establish, from time to time, quality standards regarding the development and business operations of Buffalo Wild Wings Sports Bars to protect the distinction, goodwill and uniformity symbolized by the Trademarks and the System. Accordingly, you agree to maintain and comply with our quality standards and agree to the following terms and conditions:

A. Sports Bar Facility; Lease or Purchase Contract. You may not use the Sports Bar premises or Authorized Location for any purpose other than the operation of a Buffalo Wild Wings Sports Bar during the term of this Agreement. You may not open your Sports Bar for business until we have notified you in writing that you have satisfied your pre-opening obligations as set forth in subparagraphs 5.A and 5.B and we have approved your opening date. We are not responsible or liable for any of your pre-opening obligations, losses or expenses you might incur for your failure to comply with these obligations or your failure to open by a particular date.

In the event that you plan to enter into any type of lease for the Sports Bar premises, you and your landlord must sign the Lease Addendum attached as Appendix D. You may not change the Lease Addendum form without our approval. You must provide us a copy of the executed lease and Lease Addendum, as well as any amendments to the lease entered into after its effective date, within 5 days of execution. We have no responsibility for the lease and any amendments thereto; it is your sole responsibility to evaluate, negotiate and enter into the lease for the Sports Bar premises.

You must execute, and provide us an executed copy of your lease (including an executed copy of the Lease Addendum) or the purchase agreement for the selected and approved site for your Sports Bar within 120 days after the Effective Date. If you fail to execute the lease or the purchase agreement within the periods set forth in this subparagraph, we will have the right to terminate this Agreement without opportunity to cure pursuant to subparagraph 13.B.2.

B. Construction; Future Alteration. You must construct and equip the Sports Bar in strict accordance with our current approved specifications and standards pertaining to equipment, inventory, signage, fixtures, furnishings, accessory features (including sports memorabilia) and design and layout of the building. You must provide us for our approval proposed building plans for your Sports Bar in the form that we reasonably specify. You may not commence construction of the Sports Bar until you have received our written approval of your building plans. If your Sports Bar is not constructed strictly according to the previously-approved building plans, we will not approve your Sports Bar for opening. You will have 30 days from the date we deny our approval for opening your Sports Bar to correct all the construction problems so that your Sports Bar is strictly constructed according to the approved building plans. If you fail to correct the problems within the 30-day period we may immediately terminate this Agreement pursuant to subparagraph 13.B.2. If the Sports Bar opening is delayed for the foregoing reasons, you will be responsible for any losses and costs related to such delay.

Without limiting the generality of the foregoing, you must promptly after obtaining our written confirmation of our acceptance of the site for the Sports Bar: (i) retain the services of an architect that we approve; (ii) retain the services of a general contractor and audio/visual equipment providers and installers that we approve; (iii) have prepared and submitted for our approval a site survey and basic architectural plans and specifications (not for construction) consistent with our general atmosphere, image, color scheme and ambience requirements as set forth from time to time in the manuals for a Buffalo Wild Wings Sports Bar (including requirements for dimensions, exterior design, materials, interior design and layout, equipment, fixtures, furniture, signs and decorating); (iv) retain the services of a company specialized in assisting restaurant operators during the construction process to assist you in submitting, processing, monitoring and obtaining in a timely manner all necessary construction documents, licenses and permits and to advise you throughout the construction of your Sports Bar if we determine, in our good faith judgment, that you do not have sufficient experience in the development process to manage this function; (v) purchase or lease and then, in the construction of the Sports Bar, use only the approved building materials, equipment, fixtures, audio visual equipment, furniture and signs; (vi) complete the construction and/or remodeling, equipment, fixtures, furniture and sign installation and decorating of the Sports Bar in full and strict compliance with plans and specifications we approve and all applicable ordinances, building codes and permit requirements without any unauthorized alterations; (vii) obtain all customary contractors' sworn statements and partial and final waivers; (viii) obtain all necessary permits, licenses and architectural seals and comply with applicable legal requirements relating to the building, signs, equipment and premises, including the Americans With Disabilities Act; and (ix) obtain and maintain all required zoning changes, building, utility, health, sanitation, liquor and sign permits and licenses and any other required permits and licenses. It is your responsibility to comply with the foregoing conditions.

You must use the prototype architectural drawings made available to you by us when working with your architect and general contractor. You, your affiliates or your Principal Owners, or any person related to, or any entity controlled by your Principal Owners may not be your general contractor unless you have requested our approval and we have approved your request.

Your general contractor may not be your audio/visual equipment provider and installer, unless your general contractor shows expertise in this field to our satisfaction and is approved by us prior to performing any work.

Any change to the building plans or any replacement, reconstruction, addition or modification in the building, interior or exterior decor or image, equipment or signage of the Sports Bar to be made after our consent is granted for initial plans, whether at the request of you or of us, must be made in accordance with specifications that have received our prior written consent. You may not commence such replacement, reconstruction, addition or modification until you have received our written consent to your revised plans.

You must begin substantial construction (site work, utility infrastructure and building erection) of the Sports Bar at least 150 days before the deadline to open the Sports Bar if the Sports Bar will be in a new free standing location or at least 120 days before the deadline to open the Sports Bar if the Sports Bar will be in a non-free standing location or conversion of an existing free-standing building. We may require you to provide us weekly development and construction progress reports in the form we designate from the date you begin development until the date you open the Sports Bar. In addition, on or before the deadlines to start construction you must submit to us, if requested, executed copies of any loan documents and any other document that proves that you have secured adequate financing to complete the construction of the Sports Bar by the date you are obligated to have the Sports Bar open and in operation. In the event that you fail to begin construction or to secure financing pursuant to this paragraph, we will have the right to terminate this Agreement without opportunity to cure pursuant to subparagraph 13.B.2.

Within 120 days after the Sports Bar first opens for business, you agree to provide us a report, in the format and containing the information that we reasonably specify, identifying the amounts that you spent in various categories relating to the development and opening of the Sports Bar.

C. Maintenance. The building, equipment, fixtures, furnishings, signage and trade dress (including the interior and exterior appearance) employed in the operation of your Sports Bar must be maintained and refreshed in accordance with our requirements established periodically and any of our reasonable schedules prepared based upon periodic evaluations of the premises by our representatives. Within a period of 30-45 days (as we determine depending on the work needed) after the receipt of any particular report prepared following such an evaluation, you must effect the items of maintenance we designate, including the repair of defective items and/or the replacement of irreparable or obsolete items of equipment and interior signage. If, however, any condition presents a threat to customers or public health or safety, you must effect the items of maintenance immediately, as further described in subparagraph 6.G.

D. Relocation and Casualty. If you choose to relocate the Sports Bar because of the expiration or cancellation of your lease for reasons other than your breach, we will grant you authority to do so at a site acceptable to us that is within your Designated Area, provided that: (i) you have given us notice of your intent to relocate at least 60 days before the Sports Bar closes; (ii) you have submitted site and market information as we may require; (iii) you have proposed a new site within the Designated Area that we have accepted in writing within 60 days after the Sports Bar closes; (iv) promptly after we accept the new site, you sign and deliver to us our then current form of franchise agreement (modified to remove any initial franchise fee), the terms of which may differ from this Agreement, including higher fees and a modification to the Designated Area; (v) the new Sports Bar is under construction within 90 days after you discontinue operation of the Sports Bar at the Authorized Location; and (vi) the new Sports Bar is open and operating within 180 days after construction commences, all in accordance with our then-current standards and the new franchise agreement. You must pay the costs of any relocation, and we reserve the right to charge you for any reasonable costs that we incur in connection with your relocation.

If you need to relocate the Sports Bar because of condemnation or destruction, we will grant you authority to do so at a site acceptable to us that is within your Designated Area, provided that: (1) you have submitted site and market information as we may require; (2) you have proposed a new site within the Development Area that we have accepted in writing within 60 days after the Sports Bar closes; (3) promptly after we accept the new site, you sign and deliver to us our then current form of franchise agreement (modified to remove any initial franchise fee), the terms of which may differ from this Agreement, including higher fees and a modification to the Designated Area; (4) the new Sports Bar is under construction within 90 days after you discontinue operation of the Sports Bar at the Authorized Location; and (5) the new Sports Bar is open and operating within 180 days after construction commences, all in accordance with our then-current standards and the new franchise agreement. You must pay the costs of any relocation, and we reserve the right to charge you for any reasonable costs that we incur in connection with your relocation.

In the event your Sports Bar is destroyed or damaged and you repair the Sports Bar at the Authorized Location (rather than relocate the Sports Bar), you must repair and reopen the Sports Bar at the Authorized Location in accordance with our then-current standards for the destroyed or damaged area within 270 days of the date of occurrence of the destruction or damage.

You do not have the right to relocate in the event you lose the right to occupy the Sports Bar premises because of the cancellation of your lease due to your breach. The termination or cancellation of your lease due to your breach is grounds for immediate termination under subparagraph 13.B.2.

E. Modernization or Remodel. You agree that you will make such capital improvement or modifications necessary to modernize, redecorate and upgrade your Sports Bar, including an upgrade of your audio/visual equipment, to reflect the current image of new Buffalo Wild Wings Sports Bars as we reasonably request during the term of this Agreement (taking into consideration the cost of the modernization, the life expectancy of the equipment and the then-remaining term of this Agreement). Except for certain transfers and as a condition of renewal (as described below), we will not impose any new standards or specifications requiring structural changes or remodeling of your Sports Bar more frequently than once every ten (10) years. You must complete to our satisfaction any changes we require within a reasonable time, not to exceed 12 months from the date you are notified of any required changes.

You acknowledge and agree that the requirements of this subparagraph 5.E are both reasonable and necessary to ensure continued public acceptance and patronage of Buffalo Wild Wings Sports Bars and to avoid deterioration or obsolescence in connection with the operation of the Sports Bar. If you fail to make any improvement as required by this subparagraph or perform the maintenance described in subparagraph 5.C, we may, in addition to our other rights in this Agreement, effect such improvement or maintenance and you must reimburse us for the costs we incur.

Except for transfers under Subparagraph 11.E, every other transfer of any interest in this Agreement or your business governed by paragraph 11 or any renewal covered by paragraph 4 is expressly conditioned upon your modernization and upgrade of the Sports Bar to reflect the then-current image of Buffalo Wild Wings Sports Bars at the time of such transfer or renewal.

F. Signage. The outdoor signage at your Sports Bar must comply with our then-current specifications, which we may modify and change from time to time due to modifications

to the System, including changes to the Trademarks. You must make such changes to the outdoor signage as we require within 15 months from the date of notification.

PRODUCTS AND OPERATIONS STANDARDS AND REQUIREMENTS

6. You must implement and abide by our standards and requirements concerning the operation of the Sports Bar, as we periodically modify them. The following provisions control with respect to products and operations:

A. Authorized Menu. Your business must be confined to the preparation and sale of only such Menu Items and other food and beverage products as we designate and approve in writing from time to time for sale by your Sports Bar. You must offer for sale from the Sports Bar all items we periodically specify as mandatory and only those items listed as Menu Items and other approved food and beverage products. You must offer the full authorized menu during all hours of operation. We have the right to make modifications to these items from time to time, and you agree to comply with any modifications. You may not offer or sell any other product or service at the Authorized Location without our prior written consent.

B. Authorized Products and Ingredients. You must use in the operation of the Sports Bar and in the preparation of Menu Items and other food and beverage products only the proprietary sauces and mixes and other proprietary and non-proprietary ingredients, recipes, formulas, cooking techniques and processes and supplies, and must prepare and serve Menu Items and products in such portions, sizes, appearance, taste and packaging, all as we specify in our most current product preparation materials or otherwise in writing. We will supply to you a copy of the current product preparation materials prior to opening the Sports Bar. You acknowledge and agree that we may change these periodically and that you are obligated to conform to the requirements. All supplies, including containers, cups, plates, wrapping, eating utensils, and napkins, and all other customer service materials of all descriptions and types must meet our standards of uniformity and quality. You must maintain at the Sports Bar at all times an inventory of ingredients, food and beverage products and other products, materials and supplies that will permit operation of the Sports Bar at maximum capacity.

C. Approved Supplies and Suppliers. You must only use the inventory, equipment, fixtures, furnishings, signs, advertising materials, trademarked items and novelties, and other products and services in connection with the design, construction and operation of the Sports Bar that we specify and that meet our standard and specifications, as we amend them from time to time. Although we do not do so for all of these products and services, we have the right to require you to purchase these products and services only from the manufacturer, distributor and/or supplier that we periodically specify. We may implement and periodically modify our approved supplies criteria. You acknowledge and agree that certain of such products and services may only be made available from one source, and we or our affiliates may be that source. You will pay the then-current price in effect for all products and services that you purchase from us or our affiliates. **ALTHOUGH APPROVED OR DESIGNATED BY US, WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO SERVICES, PRODUCTS, EQUIPMENT (INCLUDING ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED PRODUCTS AND SERVICES. IN ADDITION, WE DISCLAIM ANY LIABILITY ARISING OUT OF OR IN CONNECTION WITH THE SERVICES RENDERED OR PRODUCTS FURNISHED BY ANY SUPPLIER APPROVED OR DESIGNATED BY US. OUR APPROVAL OR CONSENT TO ANY SERVICES,**

PRODUCTS, SUPPLIERS, OR ANY OTHER INDIVIDUAL, ENTITY OR ANY ITEM SHALL NOT CREATE ANY LIABILITY TO US.

D. Computer System. You must purchase and use any computer system that we develop or select for the Sports Bar, including all future updates, supplements and modifications (the "Computer System"). The Computer System may include all hardware and software used in the operation of the Sports Bar, including Point-of-Sale (POS) terminals and back office programs used to record, analyze and report sales, inventory, tax and other operational information. The computer software package developed for use in the Sports Bar may include proprietary software and/or other technology. We may require you to license proprietary software or other technology, and/or purchase Computer System components and other related equipment, products and services, only from us, one of our affiliates or one or more third parties (at our option), and you must pay any licensing, user or technology fees and prices for components, equipment and other products and services that we or they determine. All right, title and interest in the software will remain with the licensor of the software or technology. The computer hardware and other equipment components of the Computer System must conform to specifications we develop. We reserve the right to designate a single source from whom you must purchase the Computer System and related support services, and that single source may be us or an affiliate. You acknowledge and agree that we will have full and complete access to information and data entered and produced by the Computer System. You must, at all times, have at the Authorized Location internet access with a form of secure high-speed broadband internet connection at our then-current minimum bandwidth specification. You also must maintain an email account for our direct correspondence with the Control Person and a separate email account for the Sports Bar.

E. Serving and Promotional Items. All sales promotion material, customer goodwill items, cartons, containers, wrappers and paper goods, eating and serving utensils and other items, and customer convenience items used in the sales promotion, sale and distribution of products covered by this Agreement are subject to our approval and must, where practicable, contain one or more of the Trademarks. We may require you to carry and offer for sale in the Sports Bar a representative supply of approved trademarked clothing and other novelty items, including special promotional items that we develop and market from time to time.

F. Health and Sanitation. Your Sports Bar must be operated and maintained at all times in compliance with any and all applicable health and sanitary standards prescribed by governmental authority. You also must comply with any standards that we prescribe. In addition to complying with such standards, if the Sports Bar is subject to any sanitary or health inspection by any governmental authorities under which it may be rated in one or more than one classification, it must be maintained and operated so as to be rated in the highest available health and sanitary classification with respect to each governmental agency inspecting the same. In the event you fail to be rated in the highest classification or receive any notice that you are not in compliance with all applicable health and sanitary standards, you must immediately notify us of such failure or noncompliance. We also may periodically evaluate the operation of your Sports Bar from a food safety standpoint, and in that regard, require you to pay for, and utilize, the services of any food safety assessment vendor that we periodically specify who will assess food safety and other operations at your Sports Bar. We may periodically change the food safety assessment program, including preferred vendor, timing of visits, scope of the assessment and required payments, as we determine necessary.

G. Evaluations. We or our authorized representative have the right to enter your Sports Bar at all reasonable times during business hours for the purpose of making periodic

evaluations and to ascertain if the provisions of this Agreement are being observed by you, to inspect and evaluate the Authorized Location and its building, land and equipment, and to test, sample, inspect and evaluate the supplies, ingredients and products, as well as the storage, preparation and formulation and the conditions of sanitation and cleanliness in the storage, production, handling and serving of supplies, ingredients and products, used in the operation of your Sports Bar. Any evaluation or inspection we conduct is not intended to exercise, and does not constitute, control over your day-to-day operation of the Sports Bar or your business or to assume any responsibility for your obligations under this Agreement. If we determine that any condition in the Sports Bar presents a threat to customers or public health or safety, we may take whatever measures we deem necessary, including requiring you to immediately close the Sports Bar until the situation is remedied to our satisfaction. Our inspections and evaluations may include a “mystery shopper” or other evaluation program from time to time throughout the term of this Agreement, and you must at your expense comply with the terms and conditions of any evaluation program that we periodically specify.

H. Period of Operation. Subject to any contrary requirements of local law, your Sports Bar must be opened to the public and operated with the full authorized menu for at least the hours each day, and the days of the year, that we periodically specify. You acknowledge and agree that if your Sports Bar is closed for a period of 2 consecutive days or 5 or more days in any 12-month period without our prior written consent, such closure constitutes your voluntary abandonment of the franchise and business and we have the right, in addition to other remedies provided for herein, to terminate this Agreement. Acts of force majeure, as defined in subparagraph 15.J, preventing you temporarily from complying with the foregoing, will suspend compliance for the duration of such interference.

I. Operating Procedures. You must adopt and use at all times in operating the Sports Bar the required standards, service style, procedures, techniques and management systems described in our manuals and other written materials, as we may periodically modify them. Any required standards exist to protect our interests in the System and the Trademarks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The manuals and other written materials also may include recommendations or guidelines to meet required standards, and you may follow those recommendations or guidelines or some other suitable alternative, provided that you meet and comply with the required standard. We will revise the manuals and these standards, procedures, techniques and management systems periodically to meet changing conditions of retail operations in the best interest of Buffalo Wild Wings Sports Bars.

We agree to provide you a copy of the manuals (as we periodically modify them) during the term of this Agreement. You acknowledge and agree that the manuals and other system communications may only be available on the internet or other online or computer communications. The manuals at all times are our sole property. You must at all times treat the manuals, and the information they contain, as secret and confidential, and must use all reasonable efforts to maintain such information as secret and confidential. We may from time to time revise the contents of the manuals and you expressly agree to comply with each new or changed requirement. You must at all times ensure that your copy of the manuals are kept current and up to date, and in the event of any dispute as to the contents of said manuals, the terms of the master copy of the manuals that we maintain are controlling.

J. Confidential Information. You agree that you, the Principal Owners, the Unit General Manager, each of your guarantors, officers, directors, members, managers, partners, employees and agents, and any other individual or entity related to or controlled by you, may not,

during the term of this Agreement or thereafter, disclose, copy, reproduce, sell or use in any other business or in any manner not specifically authorized or approved in advance in writing by us, any Confidential Information. For purposes of this Agreement, “Confidential Information” means the whole or any portion of (i) any know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the development or operation of a Buffalo Wild Wings Sports Bar that is valuable and secret in the sense that it is not generally known to our competitors; (ii) any proprietary information contained in the manuals or otherwise communicated to you in writing, verbally or through the internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of the Sports Bar, including the proprietary ingredients, sauces and mixes, secret formulas and recipes, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data; (iii) the names, contact information, ordering history and other personal information (excluding credit card data and other account data that you collect through the Sports Bar’s POS system) of or relating to the Sports Bar’s customers or prospective customers (collectively, “Customer Data”); and (iv) any other information that we reasonably designate from time to time as confidential or proprietary. Confidential Information may not be used for any purpose other than operating the Sports Bar. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from any persons owning a minority interest in the franchisee, the Principal Owners, the Unit General Manager and other key employees. You must provide executed copies of these agreements to us upon our request.

K. Entertainment and Vending Devices. You may install or maintain on the Sports Bar’s premises only those games, vending machines, and other entertainment devices that we periodically specify or approve. Any revenue derived from any such devices or other services in the Sports Bar or on its premises, regardless of which person or entity collects the money, and regardless of whether we authorized you to install them, must be included in Gross Sales for purposes of your Royalty Fee and Advertising Fee.

L. Catering and Delivery Services. You may engage in catering and delivery from your Sports Bar only if you receive our written approval. To obtain written approval, you must use only the vendors and programs that we periodically specify or approve. All catering or delivery services from the Sports Bar must comply with our standards and specifications, as we periodically modify them. We reserve the right to require you to offer catering and/or delivery services to customers from the Sports Bar. We reserve the right to revoke your ability to offer catering and delivery at any time. Any delivery fees and other revenue from catering or delivery services must be included in Gross Sales for purposes of your Royalty Fee and Advertising Fee.

M. Compliance with Law; Licenses and Permits. As between us and you, you are solely responsible for the safety and well-being of your employees and customers of the Sports Bar. Accordingly, you must at all times maintain your premises and conduct your Sports Bar operations in compliance with all applicable laws, regulations, codes and ordinances, including laws pertaining to the privacy of consumer, employee and transactional information. You must secure and maintain in force all required licenses, including a liquor license that permits alcohol sales 7 days a week (full liquor Monday through Saturday and either full liquor or at least beer only on Sundays), permits and certificates relating to your Sports Bar. If your Sports Bar is open and operating and a change occurs in applicable state or local law that does not permit liquor sales on Sundays, it will not be deemed a breach of this Agreement. In the event your liquor license is suspended or revoked, in addition to our right to terminate this Agreement pursuant to subparagraph 13.B, we reserve the right to charge you the Royalty Fee on the Gross Sales you would have received on the lost liquor sales during the license suspension. We will estimate the Gross Sales based on the prior year’s Gross Sales for the suspension period.

You must immediately notify us in writing of any claim, litigation or proceeding that arises from or affects the operation or financial condition of your BUFFALO WILD WINGS® business or Sports Bar, including any notices of health code violations or liquor license violations.

N. Participation in Internet Web Sites or Other Online Communications. You must, at your expense, participate in our BUFFALO WILD WINGS® web site on the internet, our intranet system and any other online communications as we may periodically require. We have the right to determine the content and use of our web site and intranet system and will establish the rules under which franchisees may or must participate. You may not separately register any domain name containing any of the Trademarks nor participate in any web site that markets goods and services similar to a Buffalo Wild Wings Sports Bar. You may not use or reference the Marks in any online communication or web site (including all current and future social media platforms) absent our prior approval. We retain all rights relating to our web site and intranet system and may alter or terminate our web site or intranet system. Your general conduct on our web site and intranet system or other online communications and specifically your use of the Trademarks or any advertising is subject to the provisions of this Agreement. You acknowledge that certain information related to your participation in our web site or intranet system may be considered Confidential Information, including access codes and identification codes. Your right to participate in our web site and intranet system, or otherwise use the Trademarks on the internet or other online communications, will terminate when this Agreement expires or terminates.

O. System Modifications. You acknowledge and agree that we have the right to modify, add to or rescind any requirement, standard or specification that we prescribe under this Agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practices and technological innovations and other changes as we deem appropriate. You must comply with these modifications, additions or rescissions at your expense, subject to any express limitations set forth in this Agreement.

P. Pricing Policies. You must comply with the maximum, minimum or other pricing policies and requirements that we periodically specify for Menu Items and other products and services that the Sports Bar offers and sells, including promotions, special offers and discounts in which some or all Buffalo Wild Wings Sports Bars participate, in each case to the maximum extent the law allows.

Q. Innovations. All ideas, concepts, techniques or materials relating to a Buffalo Wild Wings Sports Bar business, whether or not constituting protectable intellectual property, and whether created by or on behalf of you or your owners, will be promptly disclosed to us, deemed to be our sole and exclusive property and part of the System, and deemed to be works made for hire for us. You may not use any such ideas, concepts, techniques or materials in operating the Sports Bar without our prior approval. You and each of your owners agree to sign whatever assignment or other documents we may request from time to time to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, techniques or materials.

R. Credit Cards and Other Methods of Payment. During the term of this Agreement, you must maintain credit card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial center services, and electronic funds transfer systems that we designate, and you may not use any such services or providers that we have not approved in writing or for which we have revoked our approval. We may modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and may revoke our approval of any method and/or service provider.

You must comply with the Payment Card Industry Data Security Standards (“PCI DSS”) as they may be revised and modified by the Payment Card Industry Security Standards Council, or any successor or replacement organization we may specify, and the Fair and Accurate Credit Transactions Act (“FACTA”) and other applicable laws with respect to your use, handling and storage of personally identifiable information, credit card data and other data. You also must upgrade periodically your Computer System and related software, at your expense, to maintain compliance with PCI DSS, FACTA, and all related laws and regulations. You must notify us immediately if you are notified of or otherwise become aware of unauthorized access to one or more of your information technology systems or devices (including a credit card breach) related to the Sports Bar or your business related thereto, and must cooperate with us and applicable authorities fully with respect to any related investigation. Further, you must cooperate with us fully with respect to media statements (if any) and other items related to managing any such incident from a Trademark and System protection standpoint.

PERSONNEL AND SUPERVISION STANDARDS

7. The following provisions and conditions control with respect to personnel, training and supervision:

A. Supervision. You must have a Control Person and a Unit General Manager that meet our standards and qualifications at all times during the term of this Agreement. Your Control Person and Unit General Manager must attend and successfully complete all required training. You must appoint the Unit General Manager at least 60 days before the Sports Bar first opens for business and ensure that the Unit General Manager is fully trained to our satisfaction at least 20 days before the Sports Bar first opens for business. Should your Control Person or Unit General Manager fail to successfully complete our training requirements, we have the right to require that you appoint a new Control Person or Unit General Manager who meets our standards and qualifications within 30 days. That new Control Person or Unit General Manager must attend and successfully complete our training requirements immediately after being appointed by you. Your Control Person also must be readily and continuously available to us. In addition to the Control Person and your Unit General Manager, your Sports Bar must have at least two assistant managers at all times during the term of this Agreement.

B. Training. You must, at your expense, comply with all of the training requirements we prescribe for the Sports Bar to be developed under this Agreement. The Control Person, the Unit General Manager and at least two of your assistant managers must attend training and complete training to our satisfaction before you open the Sports Bar for business (such that at all times you have 3 trained managers for your Sports Bar). All replacement managers at the Sports Bar must complete training to our satisfaction, and must begin training within 4 weeks of the time of hire. The training requirements may vary depending on our assessment of the experience of the Control Person, the Unit General Manager and the assistant managers or other factors specific to the Sports Bar. In the event you are given notice of default as set forth in subparagraph 13.A or B and the default relates, in whole or in part, to your failure to meet any operational standards, then without limiting our other rights and remedies, we may require as a condition of curing the default that you, the Control Person, the Unit General Manager and the assistant managers, at your expense, comply with the additional training requirements we prescribe. Any new Control Person or Unit General Manager must comply with our training requirements. Under no circumstances may you permit management of the Sports Bar’s operations by a person who has not successfully completed to our reasonable satisfaction all applicable training we require.

C. Ongoing Training. We may require the Control Person, the Unit General Manager, the assistant managers and other key employees of the Sports Bar to attend, at your expense, ongoing training at our training facility, the Authorized Location or other location we designate. In addition, we may develop and require you to purchase an in-restaurant training program, and a subscription/license for a learning platform for each of your Sports Bar(s). Training may be in an electronic or virtual format and require the use of an electronic device such as computer, laptop or table to complete the training.

D. National Certified Training Sports Bar. On or before the opening date for the fourth Sports Bar that you (or your affiliates) operate, you agree to complete (or to cause your affiliate to complete) to our satisfaction the necessary brand standards training, attain the minimum benchmarks, and complete the other tasks that we then specify in order for us to designate one of your (or your affiliate's) Sports Bars as a "National Certified Training Sports Bar" or "NCTSB" and that Sport Bar's Unit General Manager as the "Training General Manager." Once you or your affiliate have attained these certifications, if the NCTSB loses that certification or otherwise fails to meet our minimum benchmarks to retain that certification, or if the Training General Manager's employment at the NCTSB ends or the Training General Manager otherwise loses that certification, then within sixty (60) days thereafter, you agree to complete (or to cause your affiliate to complete) the tasks necessary for us to once again have one of your or your affiliate's Sports Bars designated as a NCTSB and for that Sport Bar's Unit General Manager to be designated as the Training General Manager. We may permit and/or require that certain initial and ongoing training provided under this Agreement be conducted at your (or your affiliate's) NCTSB, under the direction and supervision of the Training General Manager, and according to our standards and requirements.

E. Staffing. You must employ a sufficient number of competent and trained employees at the Sports Bar to ensure efficient service to your customers. You must require all your employees to work in clean uniforms approved by us. No employee of yours will be deemed to be an employee of ours for any purpose whatsoever.

F. Attendance at Meetings. The Control Person or another representative of the Sports Bar whom we approve must attend, at your expense, all annual franchise conferences we may hold or sponsor and all meetings relating to new products or product preparation procedures, new operational procedures or programs, training, restaurant management, sales or sales promotion, or similar topics that we periodically specify. We reserve the right to require that you and/or your Control Person and other Sports Bar personnel attend any additional meetings and training programs that we periodically deem appropriate.

G. Responsibility for Employees. You acknowledge that you are an independent business and responsible for control and management of your Sports Bar, including the hiring, discipline and discharging of your employees, paying wages and benefits of your employees, and determining the terms and conditions of employment for your employees. You acknowledge that we have no power, responsibility or liability in respect to these or other employment-related matters, as the sole power, responsibility and liability for such matters rest exclusively with you. You further acknowledge that no employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the System or Trademarks in any way shifts any employee or employment-related responsibility from you to us. Any materials, guidance or assistance that we provide with respect to the terms and conditions of employment for your employees, employee hiring, discipline and discharging, and similar employment-related policies or procedures, whether in the manuals or otherwise, are solely for your optional use. Those materials, guidance and assistance do not form part of the mandatory standards or System.

You will determine to what extent, if any, these materials, guidance or assistance should apply to the Sports Bar's employees.

ADVERTISING

8. You agree to actively promote your Sports Bar, to abide by all of our advertising requirements and to comply with the following provisions:

A. Advertising Fund. You must pay to us an Advertising Fee as set forth in subparagraph 9.D. All Advertising Fees will be placed in an Advertising Fund that we own and manage. On behalf of our company- and affiliate-owned Buffalo Wild Wings Sports Bars (except for Buffalo Wild Wings Sports Bars at Non-Traditional Locations), we will pay the same Advertising Fee as similarly situated franchised Buffalo Wild Wings Sports Bars in the same local marketing area. The Advertising Fund is not a trust or escrow account, and we have no fiduciary obligation to franchisees with respect to the Advertising Fund; provided, however, we will expend amounts in the Advertising Fund in a manner that we determine is in the general best interests of the System. We may use the Advertising Fund (among other things) to conduct national, regional and/or local advertising. We have the right to determine the expenditures of the amounts collected and the methods of marketing, advertising, media employed and contents, terms and conditions of marketing campaigns and promotional programs. Because of the methods used, we are not required to spend a prorated amount on each contributing Buffalo Wild Wings Sports Bar or in each advertising market. We also have the right to make disbursements from the Advertising Fund for expenses incurred in connection with the cost of formulating, developing and implementing marketing, advertising and promotional campaigns. Without limiting the generality of the foregoing, the Advertising Fund may be used for the following purposes: (1) salaries, benefits and any other payments made to employees or any other individual or entity providing services to the Advertising Fund, and administrative costs, salaries and other expenses for marketing support personnel and operating expenses associated with the Advertising Fund; (2) broadcast, digital, print or other advertising; (3) the creation, development and production of advertising and promotional materials (i.e., print ads, radio, film and television commercials, digital assets, videotapes, direct mail pieces and other print and electronic advertising); (4) any marketing or related research and development (e.g., innovation, technology, training materials related to accurately promoting or producing food or products, and so on); and (5) advertising and marketing expenses, including product and food research and development, services provided by advertising agencies, public relations firms or other marketing, research or consulting firms or agencies, menus and menu designs, customer incentive programs, sponsorships, marketing meetings and sales incentives, development of our website and intranet system, internet access provider costs, subscriptions to industry newsletters or magazines, and other marketing related expenditures we specify. If requested, we will provide you an annual unaudited statement of the financial condition of the Advertising Fund.

B. Required Local Expenditures. You must use your best efforts to promote and advertise the Sports Bar and participate in any local marketing and promotional programs we establish from time to time. In addition to the Advertising Fee, you are required to spend ½% of your Gross Sales on approved local marketing and promotion. Upon our request, you must provide us with itemization and proof of marketing and an accounting of the monies that you have spent for approved local marketing. At our option, you must periodically prepare and submit to us for our approval a proposed local advertising and marketing plan that contemplates spending at least the amount required under this subparagraph 8.B and must implement the plan in the form that we approved it. If you fail to make the required expenditure, we have the right to collect and contribute the deficiency to the Advertising Fund.

C. Approved Materials. You must use only such advertising materials (including any print, radio, television, electronic, or other media forms that may become available in the future) as we furnish, approve or make available, and the materials must be used only in a manner that we prescribe. Furthermore, any promotional activities you conduct in the Sports Bar or on its premises are subject to our approval. We will not unreasonably withhold approval of any sales promotion materials or media and activities; provided that they are current, in good condition, in good taste and accurately depict the Trademarks. Any point-of-sale posters or other promotional materials used by you must be current and in good condition. We may make available at a reasonable cost to you annually or at other reasonable intervals, a sales promotion kit containing new (or replacement) point-of-sale and other promotional materials.

D. Advertising Cooperatives and Local Marketing Groups. We have the right to designate local advertising markets and if designated, you must participate in and contribute to the cooperative or local marketing group responsible for coordinating advertising and marketing programs in your designated local advertising market. If established, you must contribute a minimum of ½% of Gross Sales to the local cooperative or local marketing group (the “Cooperative”), which satisfies the local marketing requirement described in subparagraph 8.B. If, however, the Cooperative votes to spend a percentage greater than ½% per location, you must contribute such amount. Each Buffalo Wild Wings Sports Bar, including those operated by us, our parent company or our affiliates (except Non-Traditional Locations), within a designated local advertising area is a member of the Cooperative and each sports bar has one vote on all matters requiring a vote. Each Cooperative will be required to adopt bylaws or other governing documents that meet our approval, and you agree to comply with the terms of those governing documents. We reserve the right to administer the Cooperatives’ funds and require payment from its members via electronic funds transfer to spend on behalf of the Cooperative and its members. The contribution amount designated by the Cooperative must be on a percentage of Gross Sales basis and per Sports Bar, and must be at least ½%. The members of each Cooperative will be responsible for the administration of the Cooperative. Each Cooperative must engage the services of a professional advertising agency or media buyer that meets with our approval and has expertise in the industry and in the particular market. Further, you must obtain our written approval of all promotional and advertising materials, creative execution and media schedules prior to their implementation. Each Cooperative will be required to prepare annual financial statements, which must be made available to all members of the Cooperative and to us upon request. Also, each Cooperative must submit to us its meeting minutes upon our request. We have the right to require Cooperatives to be formed, changed, dissolved or merged.

E. Participation in Certain Programs and Promotions. You must participate in all required advertising and promotional programs we establish. You must use and honor only system-wide gift cards, certificates and checks that we designate and you must obtain all certificates, cards or checks from an approved supplier. We have developed a gift card program and you must sign the then-current form of agreement to participate in the gift card program.. At the time of termination or expiration, or the transfer of your rights under this Agreement, you must pay all amounts owed by you under the gift card program and any related agreements.

F. Social Media. You agree to comply with our policies and requirements (as we periodically modify them) concerning blogs, common social networks like Facebook, professional networks like Linked-In, live-blogging tools like Twitter, virtual worlds, file, audio and video sharing sites like TikTok, Pinterest and Instagram, and other similar social networking or media sites or tools (collectively, “Social Media”) that in any way reference the Trademarks or involve the Sports Bar. You acknowledge that these policies may involve prohibitions on your or your representatives’ use of Social Media in connection with the Trademarks or the Sports Bar.

G. New Sports Bar Opening Promotion. You must conduct certain advertising and public relations activities in connection with the opening of your Sports Bar. We require you to spend, in addition to the required local advertising contribution described above, \$12,500 for such opening activities, which must be spent some time within 45 days prior and 45 days following the opening of your Sports Bar, unless otherwise approved by us. In addition, you must perform opening advertising and promotions as required by this subparagraph 8.G every time that you (i) relocate the Sports Bar or (ii) reopen the Sports Bar after having it closed for 30 days or more. Upon our request, you must provide to us proof of these expenditures. We have the right, but not the obligation, to collect and administer these funds on your behalf.

FEES, REPORTING AND AUDIT RIGHTS

9. You must pay the fees described below and comply with the following provisions:

A. Initial Franchise Fee. You must pay to us a nonrefundable “Initial Franchise Fee” identified on Appendix C. The Initial Franchise Fee, payable in full on the date you sign this Agreement, is earned upon receipt and is in consideration for our expenses incurred and services rendered in granting you the franchise rights.

B. On-Site Training Fees and Expenses. You must pay us our then-current administrative fee and reimburse us for the travel expenses and prorated salaries for providing on-site training in connection with the opening of your Sports Bar. After you and your management staff have successfully completed the training program, we will arrange, at your expense, for our opening team to train you in implementing the System at your Sports Bar for two consecutive weeks (i.e., one week before the date that the Sports Bar opens for business, and one week after). We will remit an invoice to you within 30 days of the Sports Bar’s opening date, and you agree to pay the invoice within ten days of your receipt of the invoice. Notwithstanding the foregoing, if we determine (in our sole judgement based on operations at your (or your affiliate’s) other Buffalo Wild Wings Sports Bars) that you are capable of training your own staff prior to the opening of your Sports Bar, then you need not pay us the administrative fee or reimburse us for any expenses related to providing any on-site training, we will not provide on-site training in connection with the opening of your Sports Bar, and you must provide opening training to your Sports Bar staff according to our requirements.

C. Royalty Fee. During the term of this Agreement, you must pay to us a weekly “Royalty Fee.” The Royalty Fee for the first half of the initial term of this Agreement shall be the amount identified on the Appendix C. The Royalty Fee for the second half of the initial term of this Agreement shall be an amount equal to the greater of (i) 5% of Gross Sales or (ii) the Royalty Fee being charged by us under our form of franchise agreement being used by us at any time during the second half of the initial term of the Agreement (or, if no form of franchise agreement is being used by us on such date, the Royalty Fee being charged by us under our latest form of franchise agreement), provided that the Royalty Fee may not be increased by more than ½% at any time during the initial term of the Agreement. The amount of the Royalty Fee for any renewal term shall be that provided in the franchise agreement executed for such renewal term.

D. Advertising Fee. You must pay to us a weekly “Advertising Fee” in an amount equal to 3.25% of Gross Sales. We reserve the right to increase or decrease this percentage upon 60 days written notice to you, provided, however, that we may not increase the Advertising Fee by more than ½% per year and that the Advertising Fee will not exceed 4.15% for the initial term of this Agreement. These fees are not held by us in trust and become our property to be spent in accordance with paragraph 8 of this Agreement.

E. Computations and Remittances. You must submit Gross Sales reports to us daily via our electronic data interface or using any other means as we periodically specify. You must verify all amounts due and owing at the end of each week's operation and pay us the amounts owed on the schedule we periodically specify, accompanied by any reports we may require. We reserve the right to change the reporting day of the week for any or all amounts. We also may periodically change the mechanism for your payments under this Agreement. You must certify the computation of the amounts in the manner and form we specify, and you must supply to us any supporting or supplementary materials as we reasonably require to verify the accuracy of remittances. You waive any and all existing and future claims and offsets against any amounts due under this Agreement, which amounts you must pay when due. We have the right to apply or cause to be applied against amounts due to us or any of our affiliates any amounts that we or our affiliates may hold from time to time on your behalf or that we or our affiliates owe to you. Further, if you are delinquent in the payment of any amounts owed to us, we have the right to require you to prepay estimated Royalty Fees and Advertising Fees.

F. Electronic Transfer of Funds. You must sign an electronic transfer of funds authorization that we periodically specify to authorize and direct your bank or financial institution to transfer electronically, on a weekly basis, directly to our or our affiliate's account and to charge to your account all amounts due to us or our affiliates. You must maintain a balance in your account sufficient to allow us and our affiliates to collect the amounts owed when due. You are responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this subparagraph.

G. Interest Charges; Late Fees. Any and all amounts that you owe to us or to our 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 and Advertising Fee payments, you must pay to us a service charge of \$150 for each delinquent report or payment that you owe to us under this Agreement. A payment is delinquent for any of the following reasons: (i) we do not receive the payment on or before the date due; or (ii) there are insufficient funds in your bank 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. Financial Planning and Reports. You must record daily all sales on the point-of-sale system in the manner that we periodically specify. You must keep books and records and submit financial and other operational reports as we periodically require. You must compile, keep and submit to us the books, records and reports on the forms and using the methods of bookkeeping and accounting as we periodically may prescribe. You must provide this information to us according to reporting formats, methodologies and time schedules that we establish from time to time. You also must preserve and retain the books, records and reports for not less than 36 months. You must allow us electronic and manual access to any and all records relating to your Sports Bar. You also must, at your expense, submit to us within 90 days after the end of each fiscal year a detailed balance sheet, profit and loss statement and statement of cash flows for such fiscal year, prepared on an accrual basis including all adjustments necessary for fair presentation of the financial statements, including a supplemental schedule of revenue and expenses prepared in the format we may periodically prescribe. We may require that the annual financial statements be reviewed or audited by a certified public accountant. You must certify all reports to be true and correct. You acknowledge and agree that we have the right to impose these requirements on you regardless of whether we impose the same requirement on our other franchisees.

I. Audit. We or our authorized representative have the right at all times during the business day to enter the premises where your books and records relative to the Sports Bar are kept and to evaluate, copy and audit such books and records. We also have the right to request information from your suppliers and vendors. In the event that any evaluation or audit reveals any understatement of your Gross Sales, Royalty Fees or Advertising Fees in any month by an individual or combined total of 1.25% or more from data reported to us, then, in addition to any other rights we may have (including collection of amounts owed with respect to any understatement), you must reimburse us for all audit costs, including related professional fees, travel, and room and board expenses. Furthermore, we may conduct additional periodic audits and/or evaluations of your books and records, at your sole expense, as we reasonably deem necessary for up to 3 years thereafter. You acknowledge and agree that if you intentionally understate or underreport Gross Sales, Royalty Fees or Advertising Fees, or if a subsequent audit or evaluation conducted within the 3-year period reveals any understatement or a variance of these fees by an individual or combined total of 1.25% or more, in addition to any other remedies provided in this Agreement, at law or in equity, we have the right to terminate this Agreement in accordance with subparagraph 13.B.2. To verify the information you supply, we have the right to reconstruct your sales through the inventory extension method or any other reasonable method of analyzing and reconstructing sales. You agree to accept any such reconstruction of sales unless you provide evidence in a form satisfactory to us of your sales within a period of 14 days from the date of notice of understatement or variance. You must fully cooperate with us or our representative in performing these activities and reimburse us for any expenses we incur from your lack of cooperation.

YOUR OTHER OBLIGATIONS; NONCOMPETE COVENANTS

10. You agree to comply with the following terms and conditions:

A. Payment of Debts. You agree to pay promptly when due: (i) all payments, obligations, assessments and taxes due and payable to us and our affiliates, vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with your business; (ii) all liens and encumbrances of every kind and character created or placed upon or against any of the property used in connection with the Sports Bar or business; and (iii) all accounts and other indebtedness of every kind incurred by you in the conduct of the Sports Bar or business. In the event you default in making any such payment, we are authorized, but not required, to pay the same on your behalf and you agree promptly to reimburse us on demand for any such payment.

B. Indemnification. You hereby waive all claims against us for damages to property or injuries to persons arising out of the operation of your Sports Bar. You must fully protect, indemnify, defend, reimburse and hold harmless us and our affiliates, and our and their respective owners, directors, officers, employees, agents, representatives, successors and assigns (collectively, the "BWW Indemnified Parties") from and against, any and all claims, demands, damages, expenses and liabilities of any nature whatsoever (including attorneys' fees) arising in any manner, directly or indirectly, out of or in connection with or incidental to (1) the development or operation of your Sports Bar, including any allegation that we or any of our affiliates is a joint employer or otherwise responsible for any of your acts or omissions relating to your employees, and regardless of cause or any allegation of concurrent or contributing fault or negligence of us or our affiliates; or (2) your breach or failure to comply with the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you must reimburse us for all our costs and all attorneys' fees immediately upon our request as they are incurred. At our option, we may (at your expense) defend and control the defense of any claim or proceeding that (i) arises from or relates to the

validity of any of the Trademarks or your authorized or alleged unauthorized use of any of the Trademarks; (ii) involves any alleged unauthorized access of any customer data; (iii) is a class action or other proceeding involving both the Sports Bar and any other Buffalo Wild Wings Sports Bar; or (iv) if decided adversely, would reasonably be expected to have an adverse effect on us, our affiliates, the goodwill associated with the Trademarks, or the Buffalo Wild Wings Sports Bar network.

We hereby waive all claims against you for damages to property or injuries to persons arising out of the operation of our company- or affiliate-owned Buffalo Wild Wings Sports Bars. We must reimburse you and your affiliates for any and all damages, expenses and liabilities (including attorneys' fees) to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator of competent jurisdiction to be caused solely by our or another BWW Indemnified Party's breach of this Agreement, gross negligence or willful misconduct, so long as the claim to which those damages, expenses and liabilities relate is not asserted on the basis of theories of vicarious liability (including agency and joint employer) or our failure to compel your compliance with this Agreement.

C. Insurance. You must purchase and maintain in full force and effect, at your expense and from a company we accept, insurance that insures both you and us, our affiliates and any other persons we designate by name. The insurance policy or policies shall be written in accordance with the standards and specifications (including minimum coverage amounts, types of coverage and exclusions) set forth in writing by us from time to time. In addition, the required liability insurance must (i) name Buffalo Wild Wings, Inc., Buffalo Wild Wings International, Inc., Inspire Brands, Inc., and their affiliates (collectively, "Inspire Brands Entities") as additional insureds; (ii) provide severability of interests and/or separation of insureds coverage; and (iii) be primary and non-contributory with any insurance policy carried by any of the BWW Inspire Brands Entities.

You must deliver to us or our designee at commencement and thereafter annually or at our or our designee's request a proper certificate evidencing the existence of such insurance coverage and your compliance with the provisions of this subparagraph. The insurance certificate must show compliance with all required insurance specifications. We also may request copies of all policies and/or loss data. We may from time to time modify the required minimum limits and require additional or different insurance coverage, by providing written notice to you, as conditions require, including to reflect changes in relevant circumstances, industry standards, experiences in the Buffalo Wild Wings Sports Bar network, standards of liability and higher damage awards. If you do not procure and maintain the insurance coverage required by this Agreement, we have the right, but not the obligation, to procure insurance coverage for you on your behalf and to charge the costs to you, together with a reasonable fee for the expenses we incur in doing so. You must pay these amounts to us immediately upon written notice.

D. Noncompete Covenants. You agree that you will receive valuable training and Confidential Information that you otherwise would not receive or have access to but for the rights licensed to you under this Agreement. You therefore agree to the following noncompetition covenants:

1. Unless otherwise specified, and to the extent not prohibited by applicable law, the term "you" as used in this subparagraph 10.D includes, collectively and individually, your Control Person, all Principal Owners, and all of your guarantors, members, and partners, as the case may be, and holders of any direct or indirect ownership interest in you. We may require you to obtain from your Control Person and

other individuals identified in the preceding sentence a signed non-compete agreement in a form satisfactory to us that contains the non-compete provisions of this subparagraph 10.D, in each case to the extent not prohibited by applicable law.

2. You covenant that during the term of this Agreement you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competitive Business, wherever located.

3. Except for any interest you or your affiliate have in another restaurant or food business pursuant to an agreement with us or our affiliate, you covenant that you will not, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, or within two (2) years of the sale of the Sports Bar or any interest in you, you may not, either directly or indirectly, for yourself or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any other interest in a Competitive Business that is located or operating:

- a. At the premises of the former Sports Bar;
- b. Within a 5-mile radius of the former Sports Bar; or
- c. Within a 5-mile radius of the location of any other business or restaurant using the BUFFALO WILD WINGS[®] System, whether franchised or owned by us or our affiliates.

4. You agree that the length of time in subpart (3) will be tolled for any period during which you are in breach of the covenants or any other period during which we seek to enforce this Agreement. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement.

TRANSFER OF FRANCHISE

11. You agree that the following provisions govern any transfer or proposed transfer:

A. Transfers. We have entered into this Agreement with specific reliance upon your financial qualifications, experience, skills and managerial qualifications as being essential to the satisfactory operation of the Sports Bar. Consequently, neither your interest in this Agreement nor in the Sports Bar or any of its assets, nor any direct or indirect ownership interests in you, may be transferred or assigned to or assumed by any other person or entity (the “assignee”), in whole or in part, unless you have first tendered to us the right of first refusal to acquire this Agreement in accordance with subparagraph 11.F, and, if we do not exercise such right, unless our prior written consent is obtained, the transfer fee provided for in subparagraph 11.C is paid, and the transfer conditions described in subparagraph 11.D are satisfied. Any sale (including installment sale), lease, pledge, management agreement, contract for deed, option agreement, assignment, bequest, gift or otherwise, or any arrangement pursuant to which you turn over all or part of the daily operation of the business to a person or entity who shares in the losses or profits of the business in a manner other than as an employee will be considered a transfer for purposes of this Agreement. In addition, in this Agreement, “transfer” (whether or not capitalized) includes any merger, consolidation or exchange of ownership interests, any issuance of ownership

interests or similar securities, and any sale or transfer by operation of law. Specifically, but without limiting the generality of the foregoing, the following events constitute a transfer and you must comply with the right of first refusal, consent, transfer fee, and other transfer conditions in this paragraph 11:

1. any change or any series of changes in the percentage of the franchisee entity owned, directly or indirectly, by any Principal Owner which results in any addition or deletion of any person or entity who qualifies as a Principal Owner;
2. any change in the general partner of a franchisee that is a general, limited or other partnership entity; or
3. a pledge or seizure of any ownership interests in you or in any Principal Owner that affects the ownership of 25% or more of you or any Principal Owner, which we have not approved in advance in writing.

In the event of your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, if your legal representative, successor, receiver or trustee desires to succeed to your interest in this Agreement or the business conducted hereunder, such person first must notify us, tender the right of first refusal provided for in subparagraph 11.F, and if we do not exercise such right, must apply for and obtain our consent to the transfer, pay the transfer fee provided for in subparagraph 11.C, and satisfy the transfer conditions described in subparagraph 11.D. In addition, you or the assignee must pay the attorneys' fees and costs that we incur in any bankruptcy or insolvency proceeding pertaining to you.

You may not place in, on or upon the location of the Sports Bar, or in any communication media or any form of advertising, any information relating to the sale of the Sports Bar or the rights under this Agreement, without our prior written consent.

B. Consent to Transfer. We will not unreasonably withhold our consent to transfer, provided that all of the conditions described in this paragraph 11 have been satisfied. Application for our consent to a transfer and tender of the right of first refusal provided for in subparagraph 11.F must be made by submission of our form of application for consent to transfer. You also agree to submit other information and documents (including a copy of the proposed purchase or other transfer agreement) we require under our then-current transfer procedures. The application must indicate whether you or a Principal Owner proposes to retain a security interest in the property to be transferred. No security interest may be retained or created, however, without our prior written consent and except upon conditions acceptable to us. Any agreement used in connection with a transfer shall be subject to our prior written approval, which approval will not be withheld unreasonably. You immediately must notify us of any proposed transfer and must submit promptly to us the application for consent to transfer. Any attempted transfer by you without our prior written consent or otherwise not in compliance with the terms of this Agreement will be void, your interest in this Agreement will be voluntarily abandoned, and it will provide us with the right to elect to deem you in default and terminate this Agreement.

C. Transfer Fee. The transfer fee is \$12,500. You must submit to us a \$5,000 deposit at the time you submit an application for consent to transfer. We have the right to increase the deposit above \$5,000 and up to \$12,500 if we believe our costs and expenses will exceed \$5,000. We will refund the \$5,000 (or any increased deposit amount) less our costs and expenses (including our time) if the transfer is not completed. If the transfer proceeds, the \$7,500

balance (or any adjusted balance amount) on the transfer fee is due to us prior to the closing of the transfer and the entire \$12,500 transfer fee becomes nonrefundable at that time. Payment of the transfer fee is a condition of transfer under subparagraph 11.D. If the transfer is part of a simultaneous, multiple sports bar transfer, the transfer fee will be modified as follows: the transfer fee for the first sports bar is \$12,500, and the transfer fee for the second and each additional sports bar is \$2,500 per sports bar. If, however, our costs and expenses in reviewing and processing the transfer, including attorneys' fees, exceed the applicable transfer fee, then in addition to the transfer fee you agree to cover those additional costs and expenses (including our time).

D. Conditions of Transfer. We condition our consent to any proposed transfer, whether to an individual, a corporation, a partnership or any other entity upon the following:

1. Assignee Requirements. The assignee must meet all of our then-current requirements for any potential new franchisee at the time of the proposed transfer.

2. Payment of Amounts Owed. All amounts owed by you to us or any of our affiliates, your suppliers or any landlord for the Sports Bar premises and Authorized Location, or upon which we or any of our affiliates have any contingent liability, must be paid in full.

3. Reports. You must have provided all required reports to us in accordance with subparagraphs 9.E and 9.H.

4. Modernization. You must modernize and upgrade the Sports Bar to reflect the then-current image of Buffalo Wild Wings Sports Bars, as noted in subparagraph 5.E.

5. Guarantee. In the case of an installment sale for which we have consented to you or any Principal Owner retaining a security interest or other financial interest in this Agreement or the Sports Bar, you or such Principal Owner, and your guarantors, are obligated to guarantee the performance under this Agreement until the final close of the installment sale or the termination of such interest, as the case may be.

6. General Release. You, each Principal Owner and each guarantor must sign a general release of all claims arising out of or relating to this Agreement, your Sports Bar or the parties' business relationship, in the form we designate, releasing us and our affiliates.

7. Execution of Then-Current Franchise Agreement. The assignee executes our then-current form of franchise agreement (modified to reflect that the term is only the remainder of the term under this Agreement and other modifications to reflect that the agreement relates to a transfer), the terms of which may differ from this Agreement, including higher fees and modifications to the Designated Area based on our then current criteria for determining designated areas.

8. Training. The assignee must, at your or assignee's expense, comply with the training requirements of subparagraph 7.B.

9. Financial Reports and Data. We have the right to require you to prepare and furnish to assignee and/or us such financial reports and other data relating to the

Sports Bar and its operations reasonably necessary or appropriate for assignee and/or us to evaluate the Sports Bar and the proposed transfer. You agree that we have the right to confer with proposed assignees and furnish them with information concerning the Sports Bar and proposed transfer without being held liable to you, except for intentional misstatements made to an assignee. Any information furnished by us to proposed assignees is for the sole purpose of permitting the assignees to evaluate the Sports Bar and proposed transfer and must not be construed in any manner or form whatsoever as a financial performance representation or claims of success or failure.

10. Other Franchise Agreements. You and your affiliates must be in full compliance with all your obligations under any and all franchise agreements and area development agreements executed between you (or your affiliates) and us (or our affiliates).

11. Other Conditions. You must have complied with any other conditions that we reasonably require from time to time as part of our transfer policies, provided that such conditions will not be more stringent than any conditions otherwise imposed on new franchisees signing the then-current franchise agreement.

E. Death, Disability or Incapacity. If any individual who is a Principal Owner dies or becomes disabled or incapacitated and the decedent's or disabled or incapacitated person's heir or successor-in-interest wishes to continue as a Principal Owner, such person or entity must apply for our consent under subparagraph 11.B, comply with the training requirements of subparagraph 7.B if the Principal Owner also was the Control Person (unless the heir or successor-in-interest finds another Principal Owner to qualify as the Control Person), pay the applicable transfer fee under subparagraph 11.C, and satisfy the transfer conditions under subparagraph 11.D, as in any other case of a proposed transfer, all within 180 days of the death or event of disability or incapacity. During any transition period to an heir or successor-in-interest, the Sports Bar still must be operated in accordance with the terms and conditions of this Agreement. If the assignee of the decedent or disabled or incapacitated person is the spouse or child of such person, no transfer fee will be payable to us and we will not have a right of first refusal as set forth in subparagraph 11.F.

F. Right of First Refusal. If you propose to transfer or assign this Agreement or your interest herein or in you or the Sports Bar, in whole or in part, to any third party, including any transfer contemplated by subparagraph 11.E (except as set forth therein) or any transfer described in subparagraph 11.A, you first must offer to sell to us your interest under the same terms. In the event of a bona fide offer from such third party, you must obtain from the third-party offeror and deliver to us a statement in writing, signed by the offeror and by you, of the terms of the offer. In the event the proposed transfer results from a transfer under subparagraphs 11.A.1 through 11.A.3, or your insolvency or the filing of any petition by or against you under any provisions of any bankruptcy or insolvency law, you first must offer to sell to us your interest in this Agreement and the land, building, equipment, furniture and fixtures, and any leasehold interest used in the operation of your Sports Bar. Unless otherwise agreed to in writing by us and you, the purchase price for our purchase of assets in the event of a transfer that occurs by a transfer under subparagraphs 11.A.1 through 11.A.3, insolvency or bankruptcy filing will be established by a qualified appraiser selected by the parties and in accordance with the price determination formula established in subparagraph 14.B (the formula that includes the value of any goodwill of the business) in connection with an asset purchase upon expiration. In addition, unless otherwise agreed to in writing by us and you, the transaction documents, which we will prepare, will be those customary for this type of transaction and will include representations and

warranties then customary for this type of transaction. If the parties cannot agree upon the selection of such an appraiser, a Judge of the United States District Court for the District in which the Authorized Location is located will appoint one upon petition of either party.

You or your legal representative must deliver to us a statement in writing incorporating the appraiser's report and all other information we have requested.

We then have 45 days from our receipt of the statement setting forth the third-party offer or the appraiser's report and other requested information to accept the offer by delivering written notice of acceptance to you. Our acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to us; provided, however, we have the right to substitute equivalent cash for any noncash consideration included in the offer. If we fail to accept the offer within the 45-day period, you will be free for 60 days after such period to effect the disposition described in the statement delivered to us provided such transfer is in accordance with this paragraph 11. You may effect no other transfer of you, this Agreement or the business without first offering the same to us in accordance with this subparagraph 11.F. You understand that, for purposes of this subparagraph 11.F, we may effectuate our right of first refusal rights through an affiliate or other third party that we designate.

G. Transfer to Immediate Family Members and among Principal Owners. If the transfer is between an original Principal Owner or an individual who has been a Principal Owner for at least five years and an immediate family member of that owner, or if the transfer is among individuals who have each been Principal Owners for at least five years, then the following apply: (i) no transfer fee will be payable to us, although you must reimburse us for our reasonable costs and expenses in an amount not to exceed \$12,500; (ii) we will waive our right of first refusal described in subparagraph 11.F; and (iii) we will not require the execution of the then-current franchise agreement, as required by subparagraph 11.D.7. All other provisions of this paragraph 11 apply in full force and effect to the type of transfer described in this subparagraph.

H. Transfer by Us. We have the right to sell or assign, in whole or in part, our interest in this Agreement.

DISPUTE RESOLUTION

12. The following provisions apply with respect to dispute resolution:

A. Governing Law. This Agreement, the franchise, and all claims arising from the relationship between us and you shall be governed by the laws of the State of Georgia, without regard to its conflict of laws rules; provided, however that any Georgia law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this subparagraph.

B. Choice of Forum. The parties agree that to the extent any disputes arise that cannot be resolved directly between the parties, you shall file any suit against us or our affiliates only in the federal or state court of general jurisdiction located closest to our then current principal office. We may file suit in the federal or state court of general jurisdiction located closest to our then current principal office or in the jurisdiction where you reside or do business, or where the Sports Bar is or was located or where the claim arose. Each party irrevocably submits to the jurisdiction of those courts and waives any objection such party may have to either the jurisdiction of or venue in those courts.

C. Injunctive Relief. You recognize that the Sports Bar is one of a large number of Buffalo Wild Wings Sports Bars that are selling to the public similar products, and that your failure to comply with the terms of this Agreement could cause irreparable damage to us. Therefore, it is mutually agreed that in the event of a breach or threatened breach of any of the terms of this Agreement by you, we will forthwith be entitled to an injunction restraining such breach or to a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining said equitable relief. The foregoing equitable remedies are in addition to, and not in lieu of, all other remedies or rights that the parties might otherwise have by virtue of any breach of this Agreement by the other party.

D. Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement, any lease or sublease for the Sports Bar or Authorized Location, or the business will be entitled to recover its reasonable attorneys' fees and costs.

E. Claims. You and your Principal Owners and guarantors may not assert any claim or cause of action against us or our affiliates relating to this Agreement or the BUFFALO WILD WINGS® business, or our relationship with you, unless the claim or cause of action is commenced within one year following the first act or omission giving rise to the claim or cause of action.

F. Waiver of Punitive Damages and Jury Trial. EXCEPT FOR PUNITIVE, EXEMPLARY, TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO ANY PARTY UNDER FEDERAL LAW OR OWED TO THIRD PARTIES WHICH ARE SUBJECT TO INDEMNIFICATION UNDER SUBPARAGRAPH 10.B, WE AND YOU (AND THE PRINCIPAL OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE OR OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU (OR YOUR PRINCIPAL OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

WE AND YOU (AND YOUR PRINCIPAL OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR PRINCIPAL OWNERS).

DEFAULT AND TERMINATION

13. The following provisions apply with respect to default and termination:

A. Defaults. You are in default if we determine that you or any Principal Owner or guarantor has breached any of the terms of this Agreement or any other agreement between you and us or our affiliates, which without limiting the generality of the foregoing includes making any false report to us; intentionally understating or underreporting or failure to pay when due any amounts required to be paid to us or any of our affiliates; actions by you, a Principal Owner, or a guarantor that infringe upon, harm or contest our parent company's rights in any of the Trademarks or the goodwill associated with the Trademarks or impair or tend to impair your reputation; any felony; filing of tax or other liens that may affect this Agreement; and voluntary or involuntary bankruptcy by or against you or any Principal Owner or guarantor, insolvency,

making an assignment for the benefit of creditors or any similar voluntary or involuntary arrangement for the disposition of assets for the benefit of creditors.

B. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions:

1. Termination After Opportunity to Cure. Except as otherwise expressly provided in this subparagraph 13.B or elsewhere in the Agreement: (i) you will have 30 days from the date of our issuance of a written notice of default to cure any default under this Agreement, other than a failure to pay amounts due or submit required reports, in which case you will have 10 days to cure those defaults; (ii) your failure to cure a default within the 30-day or 10-day period will provide us with good cause to terminate this Agreement; (iii) the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds for the termination; and (iv) the termination will be effective immediately upon our issuance of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. In the event any of the following defaults occurs, you will have no right or opportunity to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: any material misrepresentation or omission in your franchise application; your voluntary abandonment of this Agreement or the Authorized Location; the loss or revocation of your liquor license or suspensions totaling 90 days over any 5 year period; the loss of your lease, the failure to timely cure a default under the lease, or the loss of your right of possession or failure to reopen or relocate under subparagraph 5.D; the closing of the Sports Bar by any state or local authorities for health or public safety reasons; any unauthorized use of the Confidential Information; insolvency of you, a Principal Owner, the Control Person or guarantor; you, a Principal Owner, the Control Person or guarantor making an assignment or entering into any similar arrangement for the benefit of creditors; a receiver (permanent or temporary) of your property is appointed by a court of competent authority; a final judgment against you remains unsatisfied of record for 30 days or longer (unless a supersedeas bond is filed); execution is levied against your business or property; suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed; any default under this Agreement that materially impairs the goodwill associated with any of the Trademarks; conviction of you, any Principal Owners, the Control Person, or guarantors of (or pleading no contest to) any felony regardless of the nature of the charges; any actions that infringe upon, harm or contest or parent company's rights in any of the Trademarks or the goodwill associated with the Trademarks or impair or tend to impair your reputation; intentionally understating or underreporting Gross Sales, Royalty Fees or Advertising Fees or any understatement or 1.25% variance on a subsequent audit within a 3 year period under subparagraph 9.I; failure to open the Sports Bar by the Required Open Date; failure to identify an Authorized Location that we have accepted within 90 days after the Effective Date; failure to execute the lease (including the Lease Addendum) or the Purchase Agreement for the Sports Bar by the date stated in subparagraph 5.A; failure to start substantial construction of the Sports Bar by the date established in subparagraph 5.B; failure to secure financing for the construction of the Sports Bar by the date set forth in subparagraph 5.B; any unauthorized transfer or assignment in violation of paragraph 11; or any default by you that is the second same or similar default within any 12-month consecutive period or the fourth default of any type within any 24-month consecutive period.

3. Immediate Termination After No More than 24 Hours to Cure. In the event that a default under this Agreement occurs that violates any health safety or sanitation law or regulation, violates any system standard as to food handling, cleanliness, health and sanitation, or if the operation of the Sports Bar presents a health or safety hazard to your customers or to the public (for example, improper cooking or storage procedures used for chicken wings): (i) you will have no more than 24 hours after we provide written notice of the default to cure the default; and (ii) if you fail to cure the default within the 24 hour period, this Agreement will terminate effective immediately on our issuance of written notice of termination.

4. Effect of Other Laws. The provisions of any valid, applicable law or regulation prescribing permissible grounds, cure rights or minimum periods of notice for termination of this Agreement supersede any provision of this Agreement that is less favorable to you.

C. Termination by You. You may terminate this Agreement as a result of a breach by us of a material provision of this Agreement provided that: (i) you provide us with written notice of the breach that identifies the grounds for the breach; and (ii) we fail to cure the breach within 30 days after our receipt of the written notice. If we fail to cure the breach, the termination will be effective 60 days after our receipt of your written notice of breach. Your termination of this Agreement under this subparagraph will not release or modify your post-term obligations under paragraph 14 of this Agreement.

POST-TERM OBLIGATIONS

14. Upon the expiration or termination of this Agreement:

A. Reversion of Rights; Discontinuation of Trademark Use. All of your rights to the use of the Trademarks and all other rights and licenses granted herein and the right and license to conduct business under the Trademarks at the Authorized Location will revert to us without further act or deed of any party. All of your right, title and interest in, to and under this Agreement will become our property. Upon our demand, you must assign to us or our assignee your remaining interest in any lease then in effect for the Sports Bar (although we will not assume any past due obligations). You must immediately comply with the post-term noncompete obligations under subparagraph 10.D, cease all use and display of the Trademarks and of any proprietary material (including the manual and the product preparation materials) and of all or any portion of point-of-sale materials furnished or approved by us, assign all right, title and interest in the telephone numbers for the Sports Bar and cancel or assign, at our option, any assumed name rights or equivalent registrations filed with authorities. You must pay all sums due to us, our affiliates or designees and all sums you owe to third parties that have been guaranteed by us or any of our affiliates. You must immediately return to us, at your expense, all copies of the manuals and product preparation materials then in your possession or control or previously disseminated to your employees and continue to comply with the confidentiality provisions of subparagraph 6.J. Within three (3) days after the De-identification Date (defined below), you must remove and deliver to us or our designee (or, at our option, destroy) all exterior and interior signs, local marketing and other advertising, marketing and promotional materials, forms and other documents containing any of the Trademarks or otherwise identifying or relating to a Buffalo Wild Wings Sports Bar. Within ten (10) days after the De-identification Date, you must make such alterations as we reasonably specify to distinguish the Authorized Location and the Sports Bar clearly from their former appearance as a Buffalo Wild Wings Sports Bar and from other Buffalo Wild Wings Sports Bars so as to prevent a likelihood of confusion by the public

and otherwise take the steps that we specify to de-identify the Sports Bar, including permanently removing all Trademarks and Trade Dress from the Sports Bar's walls and altering the Sports bar's color scheme, layout and other aspects of the Trade Dress associated with Buffalo Wild Wings Sports Bars. The "De-identification Date" means: (i) the closing date of our (or assignee's) purchase of the Sport Bar's assets pursuant to subparagraph 14.B; or (ii) if that closing does not occur, the date upon which the option under subparagraph 14.B expires or the date upon which we provide you written notice of our decision not to exercise that option, whichever occurs first. If you refuse to comply with the de-identification obligations above, we have the right to enter the Authorized Location and remove all Sports Bar signage, displays or other materials in your possession at the Authorized Location or elsewhere that bear any of the Trademarks or names or material confusingly similar to the Trademarks, and you must reimburse us for our costs incurred. Notwithstanding the foregoing, in the event of expiration or termination of this Agreement, you will remain liable for your obligations pursuant to this Agreement or any other agreement between you and us or our affiliates that expressly or by their nature survive the expiration or termination of this Agreement.

B. Purchase Option. We have the right to purchase or designate a third party that will purchase all or any portion of the assets of your Sports Bar that are owned by you or any of your affiliates, including the land, building, equipment, fixtures, signage, furnishings, supplies, leasehold improvements, liquor license and inventory of the Sports Bar at a price determined by a qualified appraiser (or qualified appraisers if one party believes it is better to have a real estate appraiser appraise the value of the land and building and a business appraiser appraise the Sports Bar's other assets) selected with the consent of both parties, provided we give you written notice of our preliminary intent to exercise our purchase rights under this subparagraph 14.B within 30 days after the date of the expiration or termination of this Agreement. If the parties cannot agree upon the selection of an appraiser(s), one or both will be appointed by a Judge of the United States District Court for the District in which the Authorized Location is located upon petition of either party.

In the event the Agreement is terminated, expires or otherwise is cancelled, the price determined by the appraiser(s) will be the reasonable fair market value of the assets based on their continuing use in, as, and for the operation of a BUFFALO WILD WINGS SPORTS BAR and the appraiser will designate a price for each category of asset (e.g., land, building, equipment, fixtures, etc.), but shall not include the value of any goodwill of the business, as the goodwill of the business is attributable to the Trademarks and the System. In the event of expiration, however, the parties agree that you may elect not to include the land in the appraisal and option to purchase process. In this instance, you may elect to lease the land to us or our designee for a lease term of at least 10 years with two 5-year options to renew and for a primary rate equal to fair market value according to the applicable Building Office Management Association Guidelines, unless otherwise agreed to by the parties.

Within 45 days after our receipt of the appraisal report, we or our designated purchaser will identify the assets, if any, that we intend to purchase at the price designated for those assets in the appraisal report. We or our designated purchaser and you will then proceed to complete and close the purchase of the identified assets, and to prepare and execute purchase and sale documents customary for the assets being purchased, in a commercially reasonable time and manner. We and you will each pay one-half of the appraiser's fees and expenses. Our interest in the assets of the Sports Bar that are owned by you or your affiliates will constitute a lien thereon and may not be impaired or terminated by the sale or other transfer of any of those assets to a third party. Upon our or our designated purchaser's exercise of the purchase option and tender of payment, you agree to sell and deliver, and cause your affiliates to sell and deliver, the purchased

assets to us or our designated purchaser, free and clear of all encumbrances, and to execute and deliver, and cause your affiliates to execute and deliver, to us or our designated purchaser a bill of sale therefore and such other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets being purchased.

If we do not exercise our option to purchase under this subparagraph, you may sell or lease the Sports Bar premises to a third party purchaser, provided that your agreement with the purchaser includes a covenant by the purchaser, which is expressly enforceable by us as a third party beneficiary, pursuant to which the purchaser agrees, for a period of 2 years after the expiration or termination of this Agreement, not to use the premises for the operation of a restaurant business that has a menu or method of operation similar to that employed by our company-owned or franchised Buffalo Wild Wings Sports Bars.

C. Survival. All of our and your (and your Principal Owners') obligations under this Agreement which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until these obligations are satisfied in full or by their nature expire.

GENERAL PROVISIONS

15. The parties agree to the following provisions:

A. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, we and you agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity. We and you agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement. It is the intent and expectation of each of the parties that each provision of this Agreement will be honored, carried out and enforced as written. Consequently, each of the parties agrees that any provision of this Agreement sought to be enforced in any proceeding must, at the election of the party seeking enforcement and notwithstanding the availability of an adequate remedy at law, be enforced by specific performance or any other equitable remedy.

B. Waiver/Integration. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify Appendices and/or standards and as otherwise provided herein, this Agreement may not be waived, altered, amended or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices hereto and the application form executed by you requesting us to enter into this Agreement constitute the sole agreement between the parties with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to the Sports Bar. Any policies that we adopt and implement from time to time to guide us in or decision-making are subject to change, are no part of this Agreement and are not binding on us.

You acknowledge and agree that you have not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of your Sports Bar. There are no representations or warranties of any kind, express or implied, except as contained herein and in the aforesaid application. However, nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you.

C. Acknowledgements. Prior to the execution of this Agreement, you have had ample opportunity to contact our existing franchisees and to investigate all aspects of the Buffalo Wild Wings Sports Bars opportunity. You have conducted an independent investigation of the business contemplated by this Agreement and recognize that it involves substantial business risks making the success of the venture largely dependent upon the personal efforts of you and your management and employees. Except as set forth in the Franchise Disclosure Document, you have not received from us or our affiliates any express or implied warranty or guaranty regarding the potential sales, income, profits, or success of the business venture contemplated by this Agreement.

D. Notices. Except as otherwise provided in this Agreement (including with respect to updates to the manuals and as otherwise set forth in the manuals), any notice, demand or communication provided for herein must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid and addressed as follows:

1. If intended for us, addressed to General Counsel, Buffalo Wild Wings International, Inc., Three Glenlake Parkway NE, Atlanta, Georgia 30328;
2. If intended for you, addressed to you the address listed on the cover page to this Agreement or at the Authorized Location;

or, in either case, as the intended party may change such address by written notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this subparagraph 15.D.

E. Authority. Any modification, consent, approval, authorization or waiver granted hereunder required to be effective by signature will be valid only if in writing executed by the Control Person or, if on behalf of us, in writing executed by our President or one of our authorized Vice Presidents.

F. References. If the franchisee is two or more individuals, the individuals are jointly and severally liable, and references to you in this Agreement include all of the individuals. References to subsections, paragraphs and Appendices shall mean the applicable subsection or paragraph of or Appendix to this Agreement. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement. The words "include," "including," and words of similar import shall be interpreted to mean "including, but not limited to" and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter.

G. Guarantee. All Principal Owners of a franchisee that is a corporation, limited liability company, partnership or other legal entity must execute the form of undertaking and guarantee at the end of this Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner pursuant to the provisions of paragraph 11 or otherwise

must execute the form of undertaking and guarantee at the end of this Agreement within 10 days from the date such person or entity becomes a Principal Owner; provided, however, that any person or entity who becomes a Principal Owner shall automatically acquire all the obligations of a Principal Owner under this Agreement at the time such person or entity becomes a Principal Owner. Before approving and entering into any transaction that would make any person or entity a Principal Owner, you must notify such person about the content of this subparagraph.

H. Successors/Assigns. Subject to the terms of paragraph 11 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and assigns of the parties.

I. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Our rights under this Agreement are cumulative, and our exercise or enforcement of any right or remedy under this Agreement will not preclude our exercise or enforcement of any other right or remedy under this Agreement which we are entitled by law to enforce.

2. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise reasonable business judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System or Buffalo Wild Wings Sports Bars generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System or Buffalo Wild Wings Sports Bars include enhancing the value of the Trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System or Buffalo Wild Wings Sports Bars.

J. Relationship of the Parties. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other nor represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence. Without limiting the generality of the foregoing, we shall have no liability in connection with or related to the products or services rendered to you by any third party, even if we required, approved or consented to the product or service or designated or approved the supplier.

K. Force Majeure. Any failure of performance of this Agreement according to its terms by any party due to force majeure will not be deemed a breach of this Agreement. For purposes of this Agreement, "force majeure" shall mean acts of God, State or governmental action, riots, disturbance, war, strikes, lockouts, slowdowns, prolonged shortage of energy

supplies or any raw material, epidemics, fire, flood, hurricane, typhoon, earthquake, lightning and explosion or other similar event or condition, not existing as of the date of signature of this Agreement, not reasonably foreseeable as of such date and not reasonably within the control of any party hereto, which prevents in whole or in material part the performance by one of the parties hereto of its obligations hereunder. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalty Fees, Advertising Fees and other amounts due thereafter.

L. Adaptations and Variances. Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the Menu Items and other standards, specifications, and requirements for any Buffalo Wild Wings Sports Bars or franchisee based upon the customs or circumstances of a particular franchise or operating agreement, site or location, population density, business potential, trade area population, existing business practice, competitive circumstance or any other condition that we deem to be of importance to the operation of such sports bar, franchisee's business or the System. We are not required to grant to you a similar or other variation as a result of any variation granted to any other Buffalo Wild Wings Sports Bar. You acknowledge that you are aware that our other franchisees operate under a number of different forms of agreement that were entered into at different times and that, consequently, the obligations and rights of the parties to other agreements may differ materially in certain instances from your rights and obligations under this Agreement.

M. Notice of Potential Profit. We and/or our affiliates may from time to time make available to you or require you to purchase goods, products and/or services for use in your Sports Bar on the sale of which we and/or our affiliates may make a profit. Further, we and/or our affiliates may from time to time receive consideration from suppliers and/or manufacturers in respect to sales of goods, products or services to you or in consideration of services rendered or rights licensed to such persons. You agree that we and/or our affiliates are entitled to said profits and/or consideration.

N. No Liability for Our Related Parties. You agree that none of our past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorney or representatives will have any liability for: (i) any of our obligations or liabilities relating to or arising from this Agreement; (ii) any claim against us based on, in respect of, or by reason of, the relationship between you and us; or (iii) any claim against us based on any of our alleged unlawful acts or omissions.

O. Effective Date. We will designate the "Effective Date" of this Agreement in the space provided on the cover page. If no Effective Date is designated on the cover page, the Effective Date is the date when we sign this Agreement. However, as described in subparagraph 5.A, you do not have the right to, and may not, open and commence operation of a Sports Bar at the Authorized Location until we notify you that you have satisfied all of the pre-opening conditions set forth in this Agreement.

P. 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 acknowledgment signed or agreed 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 executed this Franchise Agreement on the dates written below.

YOU:

Date:_____

By:_____

Name:_____

Title:_____

US:

**BUFFALO WILD WINGS
INTERNATIONAL, INC.**

Date:_____

By:_____

Name:_____

Title:_____

Appendix A to the Franchise Agreement

Guaranty and Assumption of Obligations

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ____day of _____, 20____, by each of the undersigned parties.

A. In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (together with all amendments or modifications, the “Agreement”) on this date by **Buffalo Wild Wings International, Inc.** (“BWW”), each of the undersigned unconditionally (a) guarantees to BWW and its successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ (“Franchisee”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement; and (b) agrees to be bound by, and liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the arbitration, non-competition, confidentiality, and transfer requirements.

B. Each of the undersigned acknowledges that (a) he, she or it is either an owner (whether direct or indirect) of Franchisee or otherwise has a direct or indirect relationship with Franchisee or its affiliates; (b) he, she or it will benefit significantly from BWW’s entering into the Agreement with Franchisee; and (c) BWW would not enter into the Agreement unless each of the undersigned agrees to sign and comply with the terms of this Guaranty.

C. Each of the undersigned consents and agrees that: (a) his, her or its direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (b) he, she or it will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (c) this liability will not be contingent or conditioned upon BWW’s pursuit of any remedies against Franchisee or any other person or entity; (d) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which BWW may from time to time grant to Franchisee or to any other person or entity, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners or guarantors, and for so long as BWW has any cause of action against Franchisee or any of its owners or guarantors; and (e) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement, and despite the transfer of any direct or indirect interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

D. Each of the undersigned waives: (a) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Franchisee arising as a result of the undersigned’s execution of and performance under this Guaranty, for the express purpose that none of the undersigned shall be deemed a “creditor” of Franchisee under any applicable bankruptcy law with respect to Franchisee’s obligations to BWW; (b) all rights to require BWW to proceed against Franchisee for any payment required under the Agreement, proceed against or exhaust any security from Franchisee, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (c) any benefit of, or any right to participate in, any security now or hereafter held by BWW; and (d) acceptance and notice of acceptance by BWW of his, her or its undertakings under this Guaranty,

all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. BWW shall have no present or future duty or obligation to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Franchisee, any other guarantor, or any collateral securing any obligations of Franchisee to BWW. Without affecting the obligations of the undersigned under this Guaranty, BWW may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement or any indebtedness or obligation of Franchisee, or settle, adjust, release, or compromise any claims against Franchisee or any other guarantor, make advances for the purpose of performing any obligations of Franchisee under the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and the undersigned each hereby jointly and severally waive notice of same. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of the Agreement.

E. In addition, the undersigned each waive any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Franchisee, (b) any lack of authority of Franchisee with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of Franchisee, (d) any circumstance whereby the Agreement shall be void or voidable as against Franchisee or any of its creditors, including a trustee in bankruptcy of Franchisee, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of the undersigned's obligations hereunder, except that the undersigned do not waive any defense arising from the due performance by Franchisee of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Franchisee or any other guarantor, and (g) any act or omission of Franchisee.

F. If BWW is required to enforce this Guaranty in a judicial proceeding, and prevails in such proceeding, BWW shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If BWW is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse BWW for any of the above-listed costs and expenses it incurs.

G. Each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between BWW and the undersigned, must be brought exclusively in the federal or state court of general jurisdiction located closest to our then current principal office at the time that the action is brought. Each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he, she or it might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that BWW may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he, she or it is domiciled or has assets. **EACH OF THE UNDERSIGNED IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, ARISING UNDER OR RELATING TO THIS GUARANTY OR ITS ENFORCEMENT.**

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

[Signature]

[Print Name]

[Signature]

[Print Name]

[Signature]

[Print Name]

[Signature]

[Print Name]

Appendix B to the Franchise Agreement

STATEMENT OF OWNERSHIP/LEGAL COMPOSITION

1. Please check one option: Individually Owned , Corporation , Sub-Chapter S Corporation , Partnership , or Limited Liability Company .

2. Individual Name or Entity Name: _____
(This should be the individuals or the franchisee to which the Franchise Agreement is issued.)

3. If Entity, duly organized on _____ and existing under the laws of the State of _____

4. Principal Business Address (No PO Box #'s): _____

5. Direct and Indirect Owners:

Name	Address	Email Address	% Ownership

6. The following Owner/Shareholder/Partner/Member will spend full time in active management and is the control person:

Name	Address	Email Address	Title

PLEASE SUBMIT A COPY OF THE ORGANIZATION DOCUMENTS, IF APPLICABLE: Include Articles of Incorporation, Partnership Agreement, Limited Liability Company Operating Agreement, Bylaws, Certificate of Authority to do business in the state in which the Sports Bar will be operated (if a foreign corporation, partnership or LLC), copies of all issued and outstanding stock certificates (front and back), copies of all cancelled stock certificates (front and back) and other applicable organization documents to confirm the legal composition of the franchisee entity.

Your Initials

Our Initials

Appendix C to the Franchise Agreement

Principal Terms

1. Authorized Location. The Authorized Location for your Sports Bar is: _____
2. Designated Area. The Designated Area is defined as follows: _____

The Designated Area is considered fixed as of the date of this Agreement or the date it is determined in accordance with subparagraph 2.B.

3. Required Open Date. The Required Open Date is _____, 202___. If you are entering this Agreement pursuant to an Area Development Agreement executed between you (or your affiliate) and us, the Required Open Date is defined in the Development Schedule.
4. Expiration Date. In accordance with subparagraph 4.A, this Agreement will expire 20 years after the Sports Bar opens for business. The expiration date of the Franchise Agreement is _____, 20___.
5. Initial Franchise Fee. **[No ADA, Standard Language for FA:]** You must pay to us a nonrefundable Initial Franchise Fee of \$25,000.

[If Franchise Agreement covered by ADA:] The initial franchise fee payable under this Agreement is \$25,000. We will apply \$12,500 of the development fee towards the payment of that initial franchise fee, and you must pay the remaining \$12,500 of that initial franchise fee to us upon signing this Agreement.

Your Initials

Our Initials

Appendix D to the Franchise Agreement

Addendum to Lease

This Addendum to Lease (“Addendum”), dated _____, 20___, is entered into between _____ (“Landlord”), and _____ (“Tenant”).

RECITALS

- A. The parties have entered into a Lease Agreement, dated _____, 20___, (the “Lease”) pertaining to the premises located at _____ (the “Premises”).
- B. Landlord acknowledges that Tenant has agreed to operate a Sports Bar at the Premises pursuant to Tenant’s Franchise Agreement (the “Franchise Agreement”) with Buffalo Wild Wings International, Inc. (“BWW”) under the name “Buffalo Wild Wings Grill & Bar” or other name designated by BWW (the “Sports Bar”).
- C. The parties desire to amend the Lease in accordance with the terms and conditions contained in this Addendum to provide BWW the opportunity to preserve the Premises as a BWW branded restaurant as provided herein.

AGREEMENT

Landlord and Tenant agree to amend the Lease as follows:

- 1. Remodeling and Decor. Landlord agrees that Tenant has the right to remodel, equip, paint and decorate the interior of the Premises and to display such proprietary marks and signs on the interior and exterior of the Premises as Tenant is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Tenant may operate a Sports Bar on the Premises. Any remodel of the building and/or its signs shall be subject to Landlord’s prior and reasonable approval.
- 2. Assignment by Tenant.
 - (a) Tenant does not have the right to sublease or assign the Lease to any third party without BWW’s (and, to the extent required under the Lease and subject to the provisions of this Addendum, Landlord’s) written approval.
 - (b) So long as Tenant is in not in default under the Lease beyond any applicable notice and cure periods (as they may be extended with respect to BWW pursuant to Section 3(a) below), Tenant has the right to assign all of its right, title and interest in the Lease to BWW, its affiliates or its parent company, during the term of the Lease, including any extensions or renewals, without first obtaining Landlord’s consent. No assignment will be effective, however, until BWW or its designated affiliate (the “BWW Entity”) gives Landlord written notice of its acceptance of the assignment. The BWW Entity will be responsible only for the Lease obligations and liabilities incurred after the effective date of the assignment and only until such time as the Lease is further assigned pursuant to Section 2(c).
 - (c) If the BWW Entity elects to assume the Lease, under this Section 2 or unilaterally assumes the lease as provided for in Section 3(a) or 4, Landlord and Tenant agree that (i)

Tenant will remain liable for the responsibilities and obligations, including amounts owed to Landlord, prior to the date of assignment and assumption, and (ii) the BWW Entity will have the right to assign or sublease the Premises to another franchisee with Landlord's prior reasonable approval (not to be unreasonably withheld, conditioned or delayed), provided the franchisee meets BWW's then-current standards and requirements for franchisees and agrees to operate the Sports Bar as a Buffalo Wild Wings Sports Bar pursuant to a Franchise Agreement with BWW. Upon receipt by Landlord of an assumption agreement pursuant to which the assignee agrees to assume the Lease and to observe the terms, conditions and agreements on the part of Tenant to be performed under the Lease, the applicable BWW Entity shall thereupon be released from all liability as tenant under the Lease from and after the date of assignment, without any need of a written acknowledgment of such release by Landlord.

3. Default and Notice.

- (a) Landlord shall send BWW copies of all notices of default it gives to Tenant concurrently with giving such notices to Tenant. If Tenant fails to cure any defaults within the period specified in the Lease, Landlord shall promptly give BWW written notice thereof, specifying the defaults Tenant failed to cure. BWW (directly or through any affiliate) has the right, but not the obligation, to unilaterally assume the Lease if Tenant fails to cure. BWW shall have 15 days from the date BWW receives such notice to exercise, by written notice to Landlord and Tenant, its right for BWW or a BWW Entity to assume the Lease. BWW or the BWW Entity shall have an additional 15 days from the expiration of Tenant's cure period in which to cure the default or violation.
- (b) All notices to BWW must be sent by registered or certified mail, postage prepaid, to the following address:

Buffalo Wild Wings International, Inc.
Three Glenlake Parkway NE
Atlanta, GA 30328
Attention: General Counsel

BWW may change its address for receiving notices by giving Landlord written notice of the new address. Landlord agrees that it will notify both Tenant and BWW of any change in Landlord's mailing address to which notices should be sent.

4. Termination, Non-Renewal, Expiration.

- (a) If the Franchise Agreement is terminated for any reason during the term of the Lease or any extension thereof, BWW (directly or through any affiliate) has the right, but not the obligation, to unilaterally assume the Lease by giving Landlord written notice. Within 30 days after receipt of such notice, Landlord shall give BWW written notice specifying any defaults of Tenant under the Lease.
- (b) If the Lease contains term renewals or extension(s) and if Tenant allows the term to expire without exercising said right(s), Landlord shall give BWW written notice thereof, and a BWW (directly or through any affiliate) shall have the option, for thirty (30) days after receipt of said notice, to exercise the Tenant's renewal or extension right(s) on the same terms and conditions as are contained in the Lease. If a BWW Entity elects to exercise such rights(s), it shall so notify Landlord in writing, whereupon Landlord and

BWW Entity shall execute and deliver an agreement whereby the BWW Entity assumes the Lease effective at the commencement of the extension or renewal term.

5. Access to Premises Following Expiration or Termination of Lease. Upon the expiration or termination of the Lease, Landlord will cooperate with and assist the BWW Entity in gaining possession of the Premises and if a BWW Entity does not elect to enter into a new lease for the Premises with Landlord on terms reasonably acceptable to the BWW Entity, Landlord will allow BWW to enter the Premises, without being guilty of trespass and without incurring any liability to Landlord, except for any damages caused by BWW's willful misconduct or gross negligence, to remove all signs, awnings, and all other items identifying the Premises as a BUFFALO WILD WINGS SPORTS BAR and to make such other modifications (such as repainting) as are reasonably necessary to protect the BUFFALO WILD WINGS® marks and system. In the event BWW (directly or through any affiliate) exercises its option to purchase assets of Tenant, Landlord must permit BWW or its affiliate to remove all such assets being purchased.
6. Additional Provisions.
 - (a) Landlord hereby acknowledges that the provisions of this Addendum are required pursuant to the Franchise Agreement under which Tenant plans to operate its business and the Tenant would not lease the Premises without this Addendum.
 - (b) Landlord further acknowledges that Tenant is not an agent or employee of BWW and the Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind BWW or any affiliate of BWW, and that Landlord has entered into this Addendum with full understanding that it creates no duties, obligations or liabilities of or against BWW or any affiliate of BWW, unless and until the Lease is assigned to, and accepted in writing by, BWW or its parent company.
 - (c) The BWW Entity may elect not to assume or be bound by the terms of any amendment to the Lease executed by Tenant without obtaining BWW's prior written approval, which shall not be unreasonably withheld or delayed.
7. Modification. No amendment or variation of the terms of this Addendum is valid unless made in writing and signed by Landlord, Tenant and the parties and BWW.
8. Reaffirmation of Lease. Except as amended or modified in this Addendum, all of the terms, conditions and covenants of the Lease remain in full force and effect and are incorporated by reference and made a part of this Addendum as though copied herein in full. In the event of any conflict between the terms of this Addendum and those in the Lease, the terms of this Addendum shall control.
9. Beneficiary. Landlord and Tenant expressly agree that BWW is a third party beneficiary of this Addendum with independent enforcement rights.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the dates written below.

TENANT:

LANDLORD:

By: _____
Its: _____

By: _____
Its: _____

Appendix E to the Franchise Agreement

Incentives Amendment

This Incentives Amendment to the Franchise Agreement (the “**Amendment**”) is made and entered into on _____ (the “**Effective Date**”), by and between BUFFALO WILD WINGS INTERNATIONAL, INC. (“**we**,” “**us**,” or “**our**”) and _____ (“**you**” or “**your**”).

BACKGROUND

A. We and you or your affiliate signed that certain Area Development Agreement dated _____ (the “**ADA**”), pursuant to which you or your affiliate agreed to develop and sign franchise agreements to operate the number of Sports Bars identified on Appendix D to the ADA within the territory described in Appendix C to the ADA.

B. We and you signed that certain Franchise Agreement dated _____ (the “**Franchise Agreement**”), pursuant to which you shall operate a Buffalo Wild Wings Sports Bar located at _____ (the “**Sports Bar**”). Unless otherwise specified, all initial capitalized terms used but not defined in this Amendment shall have the meanings set forth in the Franchise Agreement.

B. We and you are signing this Amendment because we have committed, upon the satisfaction of certain conditions, to modify certain requirements under the Franchise Agreement to reflect incentives we currently offer or previously offered.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein and in the Franchise Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Initial Franchise Fee**. Notwithstanding anything to this contrary in the Franchise Agreement, we will credit you all or a portion of the initial franchise fee you pay towards your Royalty Fee if you qualify for the incentive set forth below:

a. **Standard Adopter Incentive Program**. Under our “**Standard Adopter Incentive Program**,” if you (i) open and begin operating the Sports Bar in accordance with the Franchise Agreement (including, but not limited to, Sections 5.A, 5.B, 5.C, 5.F, 6.A, 6.B, 6.C, 6.D, 6.F, and 9.H of the Franchise Agreement) on or before _____ (the “**SAIP Opening Deadline**”), (ii) provide to us a report identifying the amounts that you spend in various categories relating to the development and opening of the Sports Bar in accordance with Section 5.B of the Franchise Agreement, and (iii) build the Sports Bar in the design, to the specifications, and at the Authorized Location approved by us in accordance with Sections 2.A and 5.B of the Franchise Agreement, then we agree to credit an amount equal to the initial franchise fee you paid under the Franchise Agreement plus the portion of the development fee that we credit towards that initial franchise fee (the “**SAIP IFF Credit**”) towards the Royalty Fees owed under the Franchise Agreement. If you fail to satisfy any of the conditions listed in (i) through (iii) above, the Standard Adopter Incentive Program, including the SAIP IFF Credit and reduced Royalty rates set forth in Section 2 below, will not apply to the Sports Bar.

2. **Royalty.** Notwithstanding Section 9.C of the Franchise Agreement, if you qualify for the Standard Adopter Incentive Program, then in addition to providing the credit towards the Royalty Fee set forth in Section 1 above, the Royalty Fee will be amended as set forth below:

Time Period	% of Gross Sales
First 12 months of operation	
Months 13-24 of operation	
Months 25-36 of operation	
Remaining term of Franchise Agreement	

3. **Additional Early Opening Benefit.** If (a) you meet the requirements of the Standard Adopter Incentive Program set forth above, (b) the Franchise Agreement is signed in compliance with the Area Development Agreement (including the Development Schedule), and (c) the Development Schedule requires the Sports Bar to open on or between January 1, 2024 through December 31, 2024, and you open and begin operating the applicable Sports Bar in accordance with the Franchise Agreement at least three (3) months before the Applicable Opening Deadline, then the Royalty Fee will be amended as set forth below:

Time Period	% of Gross Sales
First 6 months of operation	
Months 7-18 of operation	
Months 19-30 of operation	
Months 31-42 of operation	
Remaining term of Franchise Agreement	

4. **Miscellaneous.** The Background is incorporated into this Amendment by this reference. This Amendment is an amendment to, and forms a part of, the Franchise Agreement. If there is an inconsistency between this Amendment and the Franchise Agreement, the terms of this Amendment shall control. This Amendment, together with the Franchise Agreement, constitutes the entire agreement among the Parties hereto, and there are no other oral or written representations, understandings or agreements among them, relating to the subject matter of this Amendment. Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Franchise Agreement will remain in full force and effect as originally written and signed.

[signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Incentive Amendment the dates written below.

YOU:

Date: _____

By: _____

Name: _____

Title: _____

US:

**BUFFALO WILD WINGS
INTERNATIONAL, INC.**

Date: _____

By: _____

Name: _____

Title: _____

**RIDER TO THE BUFFALO WILD WINGS®
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

This Rider is made and entered into as of _____, 20__ by and between **BUFFALO WILD WINGS INTERNATIONAL, INC.**, an Ohio Corporation (“we”), and _____, a _____ (“you”).

1. **Background.** We and you are parties to that certain Franchise Agreement dated _____, 20__ that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of Maryland, and/or (b) the Buffalo Wild Wings Sports Bar you will operate under the Franchise Agreement will be located or operated in Maryland.

2. **Releases.** The following language is added to the end of subparagraphs 4.B and 11.D(6) of the Franchise Agreement:

; provided, however, that such general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. **Governing Law.** The following sentence is added to the end of subparagraph 12.A of the Franchise Agreement:

However, to the extent required by applicable law, Maryland will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **Choice of Forum.** The following language is added to the end of subparagraph 12.B of the Franchise Agreement:

You may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law to the extent required by the Maryland Franchise Registration and Disclosure Law.

5. **Limitations of Claims.** The following sentence is added to the end of subparagraph 12.E of the Franchise Agreement:

; except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

6. **Insolvency.** The following sentence is added to the end of subparagraph 13.A of the Franchise Agreement:

This Section might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

7. **Acknowledgments.** The following language is added to the end of the Franchise Agreement:

Any representations requiring licensee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the date stated on the first page above.

YOU:

**BUFFALO WILD WINGS INTERNATIONAL,
INC.:**

Date: _____

Date: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**RIDER TO THE BUFFALO WILD WINGS®
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

This Rider is made and entered into as of _____, 20__ by and between **BUFFALO WILD WINGS INTERNATIONAL, INC.**, an Ohio Corporation (“we”), and _____, a _____ (“you”).

8. **Background.** We and you are parties to that certain Franchise Agreement dated _____, 20__ that has been signed concurrently with the signing of this Rider. 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 for the Buffalo Wild Wings Sports Bar that you will operate under the Franchise Agreement was made in the State of Minnesota, and/or (b) the Buffalo Wild Wings Sports Bar will be located or operated in Minnesota

9. **Trademarks.** The following is added as a new subparagraph 3.F of the Franchise Agreement:

The State of Minnesota considers it unfair to not protect your rights to use the trademarks. Therefore, in accordance with Minnesota Stat. §80C.12, Subd. 1(g), we will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

10. **Releases.** The following language is added to the end of subparagraphs 4.B and 11.D(6) of the Franchise Agreement:

; however, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

11. **Governing Law/Choice of Forum.** The following sentence is added to the end of subparagraphs 12.A and 12.B of the Franchise Agreement:

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

12. **Injunctive Relief.** The second sentence of subparagraph 12.C of the Agreement is deleted in its entirety and will have no further force and effect and the following is substituted in lieu thereof:

Therefore, it is mutually agreed that in the event of a breach or threatened breach of any of the terms of this Agreement by you, we will forthwith be entitled to seek an injunction restraining such breach or to a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys’ fees and other costs incurred in obtaining said equitable relief.

13. **Limitations of Claims.** The following sentence is added to the end of subparagraph 12.E of the Franchise Agreement:

However, Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

14. **Waiver of Punitive Damages and Jury Trial.** If and to the extent required by the Minnesota Franchises Law, subparagraph 12.F of the Franchise Agreement is deleted.

15. **Termination and Renewal.** The following language is added to the end of subparagraph 13.B of the Franchise Agreement:

Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. §80C.14 Subds. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of this Agreement.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the date stated on the first page above.

YOU:

**BUFFALO WILD WINGS INTERNATIONAL,
INC.:**

Date: _____

Date: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**RIDER TO THE BUFFALO WILD WINGS®
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA**

This Rider is made and entered into as of _____, 20__ by and between **BUFFALO WILD WINGS INTERNATIONAL, INC.**, an Ohio corporation (“we”), and _____, a _____ (“you”).

1. **Background.** We and you are parties to that certain Franchise Agreement dated _____, 20__ that has been signed concurrently with the signing of this Rider. 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 for the Buffalo Wild Wings Sports Bar will operate under the Franchise Agreement was made in the State of North Dakota, and/or (b) you are a resident of North Dakota and will operate the Buffalo Wild Wings Sports Bar in North Dakota.

2. **Non-Competition.** The following language is added to the end of that subparagraph in 10.D(3):

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, we and you acknowledge and agree to enforce these provisions to the extent enforceable under the law.

3. **Releases.** The following language is added to the end of subparagraphs 4.B and 11.D(6) of the Franchise Agreement:

Any release will not apply to the extent otherwise prohibited by applicable law with respect to claims arising under the North Dakota Franchise Investment Law.

4. **Governing Law.** The following language is added to the end of subparagraph 14.A of the Franchise Agreement:

HOWEVER, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, NORTH DAKOTA LAW APPLIES TO THIS AGREEMENT.

5. **Choice of Forum.** The following language is added to the end of subparagraph 12.B of the Franchise Agreement:

HOWEVER, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, YOU MAY BRING AN ACTION IN NORTH DAKOTA.

6. **Waiver of Punitive Damages and Jury Trial.** If and to the extent required by the North Dakota Franchise Investment Law, subparagraph 12.F of the Franchise Agreement is deleted.

7. **Limitations of Claims.** The following is added to the end of subparagraph 12.E of the Franchise Agreement:

The time limitations set forth in this subparagraph might be modified by the North Dakota Franchise Investment Law.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the date stated on the first page above.

YOU:

**BUFFALO WILD WINGS INTERNATIONAL,
INC.:**

Date: _____

Date: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT C-1

NON-TRADITIONAL RIDER TO FRANCHISE AGREEMENT

**NON-TRADITIONAL RIDER
TO BUFFALO WILD WINGS SPORTS BAR
FRANCHISE AGREEMENT**

THIS NON-TRADITIONAL RIDER TO FRANCHISE AGREEMENT (the “Rider”) is made and entered into by and between BUFFALO WILD WINGS INTERNATIONAL, INC., an Ohio corporation with its principal business located at Three Glenlake Parkway NE, Atlanta, Georgia 30328 (“we” or “us”), and _____, a(n) _____ whose principal business address is _____ (“you”).

1. Preambles and Acknowledgments. Simultaneously with signing this Rider, we and you are signing a Franchise Agreement (the “Franchise Agreement”) to govern your development and operation of the Sports Bar at the Authorized Location. All initial capitalized terms used but not defined in this Rider have the meanings given to those terms in the Franchise Agreement. We and you are signing this Rider to modify certain provisions of the Franchise Agreement to recognize that the Sports Bar will be located within _____ (for purposes of this Rider and in the Franchise Agreement, the “Facility”), which is a Non-Traditional Location (defined below), and to accommodate certain requests you have made as a result of that location. “Non-Traditional Location,” in this Rider and in the Franchise Agreement, means any permanent or temporary food service facility that operates (1) under one or more of the Trademarks and all or part of the System, and (2) at locations that do not feature unlimited and unrestricted access to the general public. Non-Traditional Locations include, but are not limited to: (a) military bases and other governmental facilities; (b) universities, schools and other education facilities; (c) airports, train stations, toll plazas and other public or restricted-access transportation facilities or terminals; (d) stadiums, arenas, theaters and other sports and entertainment venues; (e) amusement parks, theme parks, museums, zoos, and other similar public facilities; (f) cafeterias, food courts and other foodservice locations within shopping centers, shopping malls, office buildings/corporate campuses, industrial buildings, and department stores, grocery stores, and similar retail stores; (g) hotels, casinos and convention centers; (h) hospitals, nursing facilities and other medical facilities; and (i) reservations and other sovereign territories.

2. Nonexclusivity and Reservation of Rights. Subparagraphs 2.B and 2.E of the Franchise Agreement are deleted. Subparagraph 2.D of the Franchise Agreement is deleted and replaced with the following:

The license is limited to the right to develop and operate one Sports Bar at the Authorized Location, and does not include (i) any right to sell products and Menu Items identified by the Trademarks at any location other than the Authorized Location, except for authorized catering and delivery services in accordance with this Agreement, or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), (ii) any right to sell products and Menu Items identified by the Trademarks to any person or entity for resale or further distribution, or (iii) any right to exclude, control or impose conditions on our development of future franchised, company or affiliate-owned restaurants (whether under the Trademarks or different trade names and trademarks) at any time, and at any location. We (on behalf of ourselves and on

behalf of any other entity which we may acquire, or be acquired by, or otherwise are or become affiliated with) retain all rights not expressly granted in this Agreement. You acknowledge that the consumer service area or trade area of another Buffalo Wild Wings Sports Bar may overlap with your Sports Bar's consumer service area or trade area.

You also acknowledge and agree that we and our affiliates have the right to operate and franchise others the right to operate restaurants or any other business for the same, similar or different products or services, regardless of the location, under trademarks other than the BUFFALO WILD WINGS® Trademarks, without compensation to any franchisee. We and our affiliates have the right to grant other franchises or develop and operate company- or affiliate-owned restaurants and/or otherwise offer, sell or distribute any products or services, including those associated with the System under the Trademarks or any other trademarks, service marks or trade names, all without compensation to any franchisee. Further, and as noted above, we and our affiliates have the right to offer, sell or distribute, at any location, through any other (i.e., non-restaurant) distribution channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any franchisee. The other distribution channels or methods include grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce).

3. Term. Subparagraph 4.A of the Franchise Agreement is deleted and replaced with the following:

The initial term of this Agreement commences on the Effective Date (as defined in paragraph 15.N) and expires on the earlier of (i) 10 years after the Sports Bar opens for business or (ii) _____ [*date when Facility contract term expires.*], unless this Agreement is sooner terminated in accordance with paragraph 13.

4. Renewal Term and Conditions of Renewal. Subparagraph 4.B of the Franchise Agreement is deleted and replaced with the following:

You may renew your license for one renewal term of the lesser of 10 years or the remaining term of your Facility contract, provided that: (i) you have given us written notice of your decision to renew at least 6 months but not more than 12 months prior to the end of the expiring term; (ii) you sign our then-current form of franchise agreement (modified to reflect that the agreement relates to the grant of a renewal franchise at a Non-Traditional Location), the terms of which may differ from this Agreement, including higher fees; (iii) you have complied with the provisions of subparagraph 5.E regarding modernization and you perform any further items of modernization and/or replacement of the building, premises, trade dress, equipment and grounds as may be necessary for your Sports Bar to conform

to the standards then applicable to new Buffalo Wild Wings Sports Bars, regardless of the cost of such modernizations and/or replacements; (iv) you are not in default of this Agreement or any other agreement pertaining to the franchise granted, have satisfied all monetary and material obligations on a timely basis during the term and are in good standing; (v) you comply with our then-current training requirements; (vi) you pay us, at time of execution of the new franchise agreement, a renewal fee in the amount of \$2,000 for each full or partial year of the renewal term; and (viii) you and your Principal Owners and guarantors execute a general release of claims in a form we prescribe.

In addition, subparagraph 4.C of the Franchise Agreement is deleted.

5. Lease. The second and third paragraphs of subparagraph 5.A of the Franchise Agreement are deleted. The first paragraph of subparagraph 5.A shall remain in full force and effect.

6. Relocation and Casualty. Subparagraph 5.D of the Franchise Agreement is deleted.

7. Period of Operation. We recognize and acknowledge that the Sports Bar will operate at a Non-Traditional Location and will be required to be open and operating on those days and during those hours that the Non-Traditional Location may set from time to time. Therefore, the first sentence of subparagraph 6.H of the Franchise Agreement is deleted.

8. Catering and Delivery Service. Since the Authorized Location of the Sports Bar is located at or within a Non-Traditional Location, notwithstanding subparagraph 6.L of the Franchise Agreement, you shall not be required nor permitted to offer catering or delivery services from the Sports Bar unless we otherwise specify in writing.

9. Local Advertising, Cooperatives and Opening Advertising. Subparagraphs 8.B, 8.D and 8.G of the Franchise Agreement are deleted.

10. Advertising Fee. Subparagraph 9.D of the Franchise Agreement is deleted and replaced with the following:

You must pay to us a weekly "Advertising Fee" in an amount equal to 1.65% of Gross Sales. These fees are not held by us in trust and become our property to be spent in accordance with paragraph 8 of this Agreement. You acknowledge and agree that the Advertising Fund's programs and expenditures may not address the specific aspects of any particular Sports Bar or the operation of Buffalo Wild Wings Sports Bars at Non-Traditional Locations, and are primarily designed to promote and enhance the Marks and Buffalo Wild Wings Sports Bars generally.

11. Noncompete Covenants. Subsections (2) and (3) of subparagraph 10.D of the Franchise Agreement are deleted in their entirety and replaced with the following:

2. You covenant that during the term of this Agreement you will not, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with

or have any interest in any Competitive Business (defined below) which is operating at or within the Facility. "Competitive Business" means a restaurant that offers, sells or offers to sell any product or customer engagement tool (as such products and customer engagement tools are defined from time-to-time in our System standards consistent with subparagraph 6.O above), and which is either in test at one or more Buffalo Wild Wings Sports Bars or that is available in 10% or more of the Buffalo Wild Wings Sports Bars in operation in the U.S. Without limiting the generality of the foregoing, this includes (a) a restaurant that sells or offers to dispense prepared food products and beverages the same as or similar to the type sold in Buffalo Wild Wings Sports Bars; (b) a sports entertainment-oriented restaurant or bar business; or (c) any business establishment that sells or offers to dispense prepared chicken wings or legs. For purposes of this subparagraph, a sports entertainment-oriented restaurant or bar is one with (i) projection programming or broadcasting, (ii) subscribed programming, and/or (iii) more than five screens, or any screen larger than 50 inches diagonal available for the viewing of different events or available as a customer interfacing tool to promote social interactions.

3. Except for any interest you or your affiliate have in another restaurant or food business pursuant to an agreement with us or our affiliate, you covenant that you will not, for a period of 2 years after the expiration or termination of this Agreement, regardless of the cause of termination, or within 2 years of the sale of the Sports Bar or any interest in you, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in a Competitive Business operating at or within the Facility

Notwithstanding the foregoing, we and you acknowledge that nothing in this Rider shall limit your or your Control Person's, Principal Owners', guarantors', officers', directors' members', managers' or partners' non-compete or other obligations under any other franchise agreement.

12. Purchase Option. Subparagraph 14.B of the Franchise Agreement is deleted in its entirety. For purposes of subparagraph 14.A, the "De-Identification Date" means the effective date of the expiration or termination of the Franchise Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this Rider effective as of the date of the Franchise Agreement.

YOU:

Date: _____

By: _____

Name: _____

Title: _____

US:

**BUFFALO WILD WINGS
INTERNATIONAL, INC.**

Date: _____

By: _____

Name: _____

Title: _____

EXHIBIT D

AREA DEVELOPMENT AGREEMENT

**Buffalo Wild Wings® Sports Bar
Area Development Agreement**

between

**Buffalo Wild Wings International, Inc.
Three Glenlake Parkway NE
Atlanta, GA 30328**

and

Name of Developer(s)

Street Address

City State Zip Code

Phone Number

Effective Date:

(To be completed by us)

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APPENDICES

- A. Guaranty and Assumption of Obligations
- B. Statement of Ownership/Legal Composition
- C. Development Territory
- D. Development Schedule and Development Fee
- E. Development Incentives Amendment

BUFFALO WILD WINGS®
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement is made this ____ day of _____, 20__ between BUFFALO WILD WINGS INTERNATIONAL, INC., an Ohio corporation with its principal business located at Three Glenlake Parkway NE, Atlanta, Georgia 30328 (“we” or “us”) and _____, a(n)_____ whose principal business address is _____ (“you”).

RECITALS

A. Our parent company has developed a system for sports entertainment-oriented, casual/fast casual restaurants/sports bars that feature chicken wings, sandwiches and other products, beverages and services using our certain standards and specifications and otherwise operate under the System (defined below) and the Trademarks (defined below) (“Buffalo Wild Wings Sports Bars”);

B. Our parent company owns the BUFFALO WILD WINGS® Trademark and other trademarks used in connection with the operation of a Buffalo Wild Wings Sports Bar;

C. Our parent company has granted to us the right to sublicense the right to develop and operate Buffalo Wild Wings Sports Bars; and

D. You desire to develop and operate several Buffalo Wild Wings Sports Bars and we, in reliance on your representations, have approved your franchise application to do so in accordance with this Agreement.

In consideration of the foregoing and the mutual covenants and consideration below, you and we agree as follows:

DEFINITIONS

1. For purposes of this Agreement, the terms below have the following definitions:

A. “Developer Subsidiary” means a corporation, limited liability company or other business entity of which you own (directly or indirectly) one hundred percent (100%) of the issued and outstanding ownership interests that you designate to sign a Franchise Agreement for one or more of the Sports Bars developed pursuant to this Agreement.

B. “Franchise Agreement” means our then current form of franchise agreement and related documents for the operation of a Buffalo Wild Wings Sports Bar, the terms of which may differ from the franchise agreement that is signed upon signing this Agreement, including higher fees and changes to the manner of defining the designated area (based on our then current criteria for defining designated areas), subject to the provisions of subparagraph 4.B.

C. “Menu Items” means the chicken wings, sandwiches and other products and beverages prepared according to our specified recipes and procedures, as we may modify and change them from time to time, that we periodically authorize for sale at Buffalo Wild Wings Sports Bars.

D. “Principal Owner” means any person or entity who, now or hereafter, directly or indirectly owns a 10% or greater interest in you (where you are a corporation, limited liability company, partnership or other business entity). However, if we are entering into this Agreement totally or partially based on the financial qualifications, experience, skills or managerial qualifications

of any person or entity who directly or indirectly owns less than a 10% interest in you, we have the right to designate that person or entity as a Principal Owner for all purposes under this Agreement, including the execution of the personal guaranty referenced in paragraph 11.G below. In addition, if you are a partnership entity, then each person or entity who, now or hereafter is or becomes a general partner is a Principal Owner, regardless of the percentage of ownership interest. If you sign this Agreement as one or more individuals, each individual is a Principal Owner. You must have at least one Principal Owner. Your Principal Owner(s) as of the Effective Date are identified on the Ownership and Management Addendum attached to this Agreement. Every time there is a change in the persons who are your Principal Owners, you must, within 10 days from the date of each such change, update the Ownership and Management Addendum. As used in this Agreement, any reference to Principal Owner includes all Principal Owners.

E. “Sports Bars” means the Buffalo Wild Wings Sports Bars you or a Developer Subsidiary develops pursuant to this Agreement.

F. “System” means the BUFFALO WILD WINGS® System, which consists of distinctive food and beverage products prepared according to special and confidential recipes and formulas with distinctive storage, preparation, service and delivery procedures and techniques, offered in a setting of distinctive exterior and interior layout, design and color scheme, signage, furnishings and materials and using certain distinctive types of facilities, equipment, supplies, ingredients, business techniques, methods and procedures, together with sales promotion programs, all of which we may modify and change from time to time.

G. “Trademarks” means the BUFFALO WILD WINGS® trademark and service mark and other trademarks, service marks, trade names and logos, as we may modify and change them from time to time, and the Trade Dress and other commercial symbols used in Buffalo Wild Wings Sports Bars. “Trade Dress” includes the designs, color schemes and image we authorize for use in the operation of Buffalo Wild Wings Sports Bars from time to time, as we may periodically modify them.

GRANT OF DEVELOPMENT RIGHTS

2. The following provisions control with respect to the rights granted hereunder:

A. Grant of Rights. We grant to you, under the terms and conditions of this Agreement, the right (directly or through Developer Subsidiaries) to develop and sign Franchise Agreements to operate the number of new Sports Bars identified on Appendix D within the territory described in Appendix C (the “Development Territory”).

B. Development Schedule. You agree to comply with the development schedule set forth in Appendix D (the “Development Schedule”). Time is of the essence for the development of each Sports Bar in accordance with the Development Schedule. Each Sports Bar must be developed and operated pursuant to a separate Franchise Agreement that you or a Developer Subsidiary signs with us pursuant to subparagraph 4.B below.

C. Development Territory. If you are in compliance with this Agreement (including the Development Schedule) and you and your affiliates are in compliance with the terms of any other agreements with us and our affiliates, then we and our affiliates will not locate and operate or grant anyone else a franchise to locate and operate a Buffalo Wild Wings Sports Bar within the Development Territory so long as this Agreement is in effect, except for the Buffalo Wild Wings Sports Bars at Non-Traditional Locations and as set forth in subparagraph 2.E. However, in the event that the Development Territory covers more than one city, county, designated market area or target area (each “Target Area”), the territorial protection under this subparagraph 2.C for each

Target Area shall expire upon the earlier of (i) the expiration or termination of this Agreement, or (ii) the date upon which you or a Developer Subsidiary signs a Franchise Agreement for your final Sports Bar to be developed in such Target Area under this Agreement. When the territorial protection under this subparagraph 2.C expires with respect to the Development Territory or Target Area (as applicable), we will thereafter be entitled to locate and operate, and to franchise others to locate and operate, Buffalo Wild Wings Sports Bars in the Development Territory or Target Area (as applicable), except as may be otherwise provided under any Franchise Agreement that has been executed between us and you and that has not been terminated.

You acknowledge and agree that certain locations within the Development Territory are by their nature unique and separate in character from sites generally developed as Buffalo Wild Wings Sports Bars. As a result, you agree that the following locations (“Non-Traditional Locations”) are excluded from the Development Territory, and we have the right to develop, license or franchise Buffalo Wild Wings Sports Bars at such locations, whether those locations are within or outside the Development Territory: any permanent or temporary food service facility that operates (1) under one or more of the Trademarks and all or part of the System, and (2) at locations that do not feature unlimited and unrestricted access to the general public. Non-Traditional Locations include, but are not limited to: (a) military bases and other governmental facilities; (b) universities, schools and other education facilities; (c) airports, train stations, toll plazas and other public or restricted-access transportation facilities or terminals; (d) stadiums, arenas, theaters and other sports and entertainment venues; (e) amusement parks, theme parks, museums, zoos, and other similar public facilities; (f) cafeterias, food courts and other foodservice locations within shopping centers, shopping malls, office buildings/corporate campuses, industrial buildings, and department stores, grocery stores, and similar retail stores; (g) hotels, casinos and convention centers; (h) hospitals, nursing facilities and other medical facilities; and (i) reservations and other sovereign territories.

D. Nonexclusivity; Our Reservation of Rights. The rights granted under this Agreement are limited to the right to develop and sign Franchise Agreements to operate Sports Bars located in the Development Territory, and do not include: (i) any right to sell products and Menu Items identified by the Trademarks at any location or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce), (ii) any right to sell products and Menu Items identified by the Trademarks to any person or entity for resale or further distribution, or (iii) any right to exclude, control or impose conditions on our development or operation of franchised, company or affiliate-owned restaurants (whether under the Trademarks or different trade names and trademarks) at any time, whether within or outside of the Development Territory (except as set forth in subparagraphs 2.C and 2.E). We (on behalf of ourselves and on behalf of any other entity which we may acquire, or be acquired by, or otherwise are or become affiliated with) retain all rights not expressly granted in this Agreement. You may not use the phrase “Buffalo Wild Wings” or any of the other Trademarks as part of the name of your corporation, partnership, limited liability company or other similar entity.

You acknowledge and agree that we and our affiliates have the right to operate and franchise others the right to operate restaurants or any other business for the same, similar or different products or services, both within and outside the Development Territory, under trademarks other than the BUFFALO WILD WINGS® Trademarks, without compensation to any developer or franchisee. Except as set forth in subparagraphs 2.C and 2.E, we and our affiliates have the right to grant other franchises or develop and operate company or affiliate-owned restaurants and/or otherwise offer, sell or distribute any products or services, including those associated with the System under the Trademarks or any other trademarks, service marks or trade names, all without compensation to any developer or franchisee.

Further, and as noted above, we and our affiliates have the right to offer, sell or distribute, within and outside the Development Territory, through any other (i.e., non-restaurant) distribution

channel or method, any frozen, pre-packaged items or other products or services associated with the System (now or in the future) or identified by the Trademarks, or any other trademarks, service marks or trade names, through any distribution channels or methods, without compensation to any developer or franchisee. The other distribution channels or methods include grocery stores, club stores, convenience stores, wholesale, hospitals, clinics, health care facilities, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries or the internet (or any other existing or future form of electronic commerce).

E. Limited Seating Facilities. In addition, you acknowledge and agree that, subject to your right of first refusal as set forth below, we and our affiliates have the right to operate or franchise within and outside the Development Territory one or more facilities selling, for dine in, take out, catering or delivery, all or some of the Menu Items, using the Trademarks or any other substantially similar trademarks, service marks or trade names (for example, “B-Dubs”), without compensation to any franchisee or developer, provided, however, that such facilities shall not have an interior area larger than 2,700 square feet and shall not have seating capacity for more than 60 people (“Limited Seating Facilities”).

We have developed a model for a Limited Seating Facility, but it is under refinement and may change. If we determine that your Development Territory is an appropriate market for such a facility, we will provide to you a written offer (“Offer”) specifying the terms and conditions for your development of the Limited Seating Facility. You will have 90 days following your receipt of the Offer to accept the Offer by delivering written notice to us of your acceptance, provided that you are not in default under this Agreement or any other agreement with us or our affiliates. If you do not provide written notice to us within the time period or if you are in default under this Agreement or any other agreement with us or our affiliates, you will lose the right to develop the Limited Seating Facility and we may develop or franchise to others to develop the Limited Seating Facility within your Development Territory. You acknowledge and agree that if you accept the Offer, we may require you to submit a full application, pay an initial fee and sign a new form of franchise agreement.

F. No Right to Use Trademarks. This Agreement is not a franchise agreement and you have no right to use in any manner the Trademarks by virtue of this Agreement. You have no right under this Agreement to sublicense or subfranchise others to operate a business or sports bar or use the System or the Trademarks.

DEVELOPMENT FEE

3. You must pay a Development Fee as described below:

A. As consideration for the rights granted in this Agreement, you must pay us a Development Fee listed on Appendix D. The Development Fee is consideration for this Agreement and not consideration for any Franchise Agreement, is fully earned by us upon execution of this Agreement and is non-refundable. The Development Fee is credited against the Initial Franchise Fee payable upon the signing of each individual Franchise Agreement as specified in subparagraph 3.B.

B. You must comply with our then current development policies for each Sports Bar to be developed within the Development Territory as further described in paragraph 4. Upon our acceptance of the site of a Sports Bar, a separate Franchise Agreement must be executed for that Sports Bar, at which time a portion of the Development Fee will be applied towards the payment of the Initial Franchise Fee for that Sports Bar. The Initial Franchise Fee payable under that Franchise Agreement is \$25,000, we will apply \$12,500 of the Development Fee towards the payment of that Initial Franchise Fee, and you (or the Developer Subsidiary) must pay the

remaining \$12,500 of that Initial Franchise Fee upon signing that Franchise Agreement. Upon the execution of each Franchise Agreement, the terms and conditions of that Franchise Agreement control the establishment and operation of the applicable Sports Bar.

DEVELOPMENT SCHEDULE

4. The following provisions control with respect to your development rights and obligations:

A. Development Schedule. You are bound by and must strictly follow the Development Schedule. By the applicable dates set forth under the Development Schedule, you (or a Developer Subsidiary whom we approve) must (i) enter into Franchise Agreements with us pursuant to this Agreement for the number of new Sports Bars described under the Development Schedule; and (ii) open and begin operating the number of new Sports Bars described under the Development Schedule in accordance with the applicable Franchise Agreements. You also must comply with the Development Schedule requirements regarding the cumulative number of new Sports Bars to be open and continuously operating for business in the Development Territory. If you fail to comply with any aspect of the Development Schedule, we have the right to immediately terminate this Agreement pursuant to subparagraph 8.B. If you are developing 3 or more new Sports Bars under this Agreement, you will have a “late opening extension right” of two weeks for each Sports Bar and each deadline in the Development Schedule in which we will not have the right to terminate this Agreement due to your failure to meet the applicable deadline. To take advantage of this late opening extension, you must make a request for the extension 45 days prior to the applicable deadline set forth in the Development Schedule and have been in continuous compliance throughout the term of this Agreement.

B. Development Policies and Franchise Agreement. You must comply with our development policies, as we periodically modify them, with respect to each proposed site for a Sports Bar to be developed in the Development Territory and each Franchise Agreement to be signed for a Sports Bar in the Development Territory. This includes sending us a complete site report (containing such demographic, commercial, market and other information and photographs as we may periodically specify) for each proposed site, and information on your (or your Developer Subsidiary’s) financial and operational ability to develop and operate the proposed Sports Bar, along with sending us information necessary to complete each Franchise Agreement, all on the schedule that we periodically specify in our development policies.

1. Our Acceptance of the Proposed Site. You must receive our written acceptance of your proposed site for the Sports Bar before we will issue a Franchise Agreement for that Sports Bar. We agree not to unreasonably withhold acceptance of a proposed site. In reviewing any proposed site, we will consider such matters as we deem material, including demographic characteristics of the proposed site, traffic patterns, competition, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics (including the purchase or lease obligations for the proposed site) and the size of premises, appearance and other physical characteristics. Our acceptance of a proposed site, however, does not in any way constitute a guaranty by us as to the success of the Sports Bar. Despite any assistance, information or recommendations that we may provide (whether before or after the Effective Date) with respect to any site, we have made and will make no representations or warranties of any kind, express or implied, of the suitability of any site for a Buffalo Wild Wings Sports Bar. Our recommendation or acceptance of a site indicates only that we believe that the site meets or has the potential to meet, or that we have waived, the general criteria of site acceptability that we have established as of that time. Applying criteria that have appeared effective for other sites might not accurately reflect the potential for all sites, and, after we recommend or accept a site, demographic and/or other factors included in or excluded from

our site criteria could change, thereby altering a site's potential. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site fails to meet our or your expectations.

2. Good Standing. We need not issue a Franchise Agreement if you (or your proposed Developer Subsidiary) do not then meet our current financial and operational standards and qualifications for new Buffalo Wild Wings Sports Bars. We need not issue a Franchise Agreement pursuant to this Agreement if you or any of your affiliates are in default of this Agreement, any Franchise Agreement entered into pursuant to this Agreement, or any other agreement between you or any of your affiliates and us or any of our affiliates, or have not satisfied on a timely basis all monetary and other material obligations under the Franchise Agreements for all existing Sports Bars.

3. Execution of Franchise Agreement. If you have complied with the requirements of this Agreement and our then current development policies, and we have accepted your proposed site for the Sports Bar, then we will issue a Franchise Agreement for that Sports Bar at that site. You (or a Developer Subsidiary) and we must enter into our then-current form of Franchise Agreement for the proposed Sports Bar, subject to paragraph 3.B, and provided that, if you are then in compliance with this Agreement (including the Development Schedule) when you are signing the Franchise Agreement, we will provide you the royalty fee incentives listed in Appendix E. You understand that we may modify the then-current form of Franchise Agreement from time to time and that it may be different than the current form of Franchise Agreement, including different fees and obligations. You understand and agree that any and all Franchise Agreements will be construed and exist independently of this Agreement. The continued existence of each Franchise Agreement will be determined by the terms and conditions of such Franchise Agreement. Except as specifically set forth in this Agreement, the establishment and operation of each Sports Bar must be in accordance with the terms of the applicable Franchise Agreement.

C. Independent Investigation. You acknowledge that you have conducted an independent investigation of the prospects for the establishment of Sports Bars within the Development Territory, and recognize that the business venture contemplated by this Agreement involves business and economic risks and that your financial and business success will be primarily dependent upon the personal efforts of you and your management and employees. We expressly disclaim the making of, and you acknowledge that you have not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential gross sales, profits, earnings or the financial success of the Sports Bars you develop within the Development Territory.

D. Future Investment. You recognize and acknowledge that this Agreement requires you to open Sports Bars in the future pursuant to the Development Schedule. You further acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of our current franchise disclosure document are subject to increase over time, and that future Sports Bars likely will involve greater initial investment and operating capital requirements than those stated in the franchise disclosure document provided to you prior to the execution of this Agreement. You (or a Developer Subsidiary) are obligated to execute all the Franchise Agreements and open all the Sports Bars on the dates set forth on the Development Schedule, regardless of: (i) the requirement of a greater investment; (ii) the financial condition or performance of your prior Sports Bars; or (iii) any other circumstances, financial or otherwise. The foregoing shall not be interpreted as imposing any obligation upon us to execute the Franchise Agreements under this Agreement if you have not complied with each and every condition necessary to develop the Sports Bars.

TERM

5. Unless sooner terminated in accordance with paragraph 8 of this Agreement, the term of this Agreement and all rights granted to you will expire without further notice on the date upon which the last Franchise Agreement for your last Developer Sports Bar under the Development Schedule is signed or is scheduled to be signed under the Development Schedule (whichever is earlier).

YOUR DUTIES

6. You must perform the following obligations:

A. Franchise Agreements. You must comply (or cause the applicable Developer Subsidiary to comply) with all of the terms and conditions of each Franchise Agreement, including the operating requirements specified in each Franchise Agreement.

B. Confidential Information. You agree that you, the Principal Owners, each of your guarantors, officers, directors, members, managers, partners, employees and agents, and any other individual or entity related to or controlled by you, may not, during the term of this Agreement or thereafter, disclose, copy, reproduce, sell or use in any other business or in any manner not specifically authorized or approved in advance in writing by us, any Confidential Information. For purposes of this Agreement, "Confidential Information" means the whole or any portion of (i) any know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the development or operation of a Buffalo Wild Wings Sports Bar that is valuable and secret in the sense that it is not generally known to our competitors; (ii) any proprietary information contained in the manuals or otherwise communicated to you in writing, verbally or through the internet or other online or computer communications, and any other knowledge or know-how concerning the methods of operation of a Buffalo Wild Wings Sports Bar, including the proprietary ingredients, sauces and mixes, secret formulas and recipes, methods, procedures, suggested pricing, specifications, processes, materials, techniques and other data; (iii) the names, contact information, ordering history and other personal information (excluding credit card data and other account data collected through the Sports Bar's POS system) of or relating to any Sports Bar's customers or prospective customers; and (iv) any other information that we reasonably designate from time to time as confidential or proprietary. Confidential Information may not be used for any purpose other than operating a Sports Bar pursuant to a Franchise Agreement. We may require that you obtain nondisclosure and confidentiality agreements in a form satisfactory to us from any persons owning an interest in you, the Principal Owners, and key employees. You must provide executed copies of these agreements to us upon our request.

C. Compliance with Law. You must comply with all requirements of federal, state and local laws, rules and regulations.

D. Training. You must, at your expense, comply with all of the training requirements we prescribe with respect to the development and operation of the Sports Bars to be developed under this Agreement. Our training requirements may vary depending on the number of Sports Bars that you (and your Developer Subsidiaries) are operating or required to develop under this Agreement, and may require your (or your Developer Subsidiaries') personnel to provide training to your (and their) other personnel at the Sports Bars. Each person whom we require to attend training must complete that training to our satisfaction.

DISPUTE RESOLUTION

7. The following provisions apply with respect to dispute resolution:

A. Governing Law. This Agreement, the development rights, and all claims arising from the relationship between us and you shall be governed by the laws of the State of Georgia, without regard to its conflict of laws rules; provided, however that any Georgia law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee or developer will not apply unless its jurisdictional requirements are met independently without reference to this subparagraph.

B. Choice of Forum. The parties agree that to the extent any disputes arise that cannot be resolved directly between the parties, you shall file any suit against us or our affiliates only in the federal or state court of general jurisdiction located closest to our then current principal office. We may file suit in the federal or state court of general jurisdiction located closest to our then current principal office or in the jurisdiction where you reside or do business. Each party irrevocably submits to the jurisdiction of those courts and waives any objection such party may have to either the jurisdiction of or venue in those courts.

C. Attorneys' Fees. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement or the business you operate under this Agreement, or our relationship with you, will be entitled to recover its reasonable attorneys' fees and costs.

D. Claims. You and your Principal Owners and guarantors may not assert any claim or cause of action against us or our affiliates relating to this Agreement or the BUFFALO WILD WINGS® business, or our relationship with you, unless the claim or cause of action is commenced within one year following the first act or omission giving rise to the claim or cause of action.

E. Waiver of Punitive Damages and Jury Trial. EXCEPT FOR PUNITIVE, EXEMPLARY, TREBLE AND OTHER FORMS OF MULTIPLE DAMAGES AVAILABLE TO ANY PARTY UNDER FEDERAL LAW OR OWED TO THIRD PARTIES WHICH ARE SUBJECT TO INDEMNIFICATION UNDER SUBPARAGRAPH 11.A, WE AND YOU (AND THE PRINCIPAL OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE OR OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU (OR YOUR PRINCIPAL OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

WE AND YOU (AND YOUR PRINCIPAL OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR PRINCIPAL OWNERS).

DEFAULT AND TERMINATION

8. The following provisions apply with respect to default and termination:

A. Our Reliance. The rights and territorial protection granted to you in this Agreement have been granted in reliance on your representations and warranties, and strictly on the conditions set forth in this Agreement, including the condition that you comply strictly with the Development Schedule.

B. Defaults. You are in default under this Agreement if you breach any of the terms of this Agreement, including the failure to meet the Development Schedule.

C. Termination by Us. We have the right to terminate this Agreement in accordance with the following provisions:

1. Termination After Opportunity to Cure. Except as otherwise expressly provided in this subparagraph 8.C or elsewhere in the Agreement: (i) you will have 30 days from the date of our issuance of a written notice of default to cure any default under this Agreement; (ii) your failure to cure a default within the 30-day period will provide us with good cause to terminate this Agreement; (iii) the termination will be accomplished by mailing or delivering to you written notice of termination that will identify the grounds for the termination; and (iv) the termination will be effective immediately upon our issuance of the written notice of termination.

2. Immediate Termination With No Opportunity to Cure. In the event any of the following defaults occurs, you will have no right or opportunity to cure the default and this Agreement will terminate effective immediately on our issuance of written notice of termination: (i) any material misrepresentation or omission in your franchise application; (ii) any unauthorized use of the Confidential Information; (iii) insolvency of you, a Principal Owner or guarantor; (iv) you, a Principal Owner or guarantor making an assignment or entering into any similar arrangement for the benefit of creditors; (v) conviction of you, any Principal Owners or guarantors of (or pleading no contest to) any felony regardless of the nature of the charges; (vi) any actions that infringe upon, harm or contest or parent company's rights in any of the Trademarks or the goodwill associated with the Trademarks or impair or tend to impair your reputation; (vii) a receiver (permanent or temporary) of your property is appointed by a court of competent authority; (viii) a final judgment against you remains unsatisfied of record for 30 days or longer (unless a supersedeas bond is filed); (ix) execution is levied against your business or property; (x) suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within 30 days, or is not in the process of being dismissed; (xi) you fail to meet the development obligations set forth in the Development Schedule; or (xii) we have delivered to you or any of your affiliates a notice of termination of a franchise agreement in accordance with its terms and conditions, or you or any of your affiliates have terminated a franchise agreement with us under any circumstances other than in accordance with the provisions of that franchise agreement due to our breach thereof.

RIGHTS AND DUTIES OF PARTIES UPON TERMINATION OR EXPIRATION

9. Upon termination or expiration of this Agreement, all rights granted to you will automatically terminate, and:

A. No Further Rights. All remaining rights granted to you to develop Sports Bars under this Agreement will automatically be revoked and will be null and void. You will not be entitled to any refund of any fees. You will have no right to develop or operate any Sports Bar for which a Franchise Agreement has not been executed by us. We will be entitled to develop and operate, or to franchise others to develop and operate, Buffalo Wild Wings Sports Bars in the Development Territory, except as may be otherwise provided under any Franchise Agreement that has been executed between us and you or a Developer Subsidiary and that has not been terminated.

B. Reference as Our Developer. You must immediately cease to operate your business under this Agreement and must not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former developer of ours.

C. Pay Amounts Due. You must within 30 days of the termination or expiration pay all sums owing to us and our affiliates, including the balance of the initial franchise fees (if any) that we would have received had you developed all of the Sports Bars set forth in the Development Schedule. In addition, you agree to pay as fair and reasonable liquidated damages (but not as a penalty) an amount equal to \$50,000 for each undeveloped Sports Bar. You agree that this amount is for lost revenues from royalty fees and other amounts that would have been payable to us, including the fact that you were holding the development rights for those Sports Bars and precluding the development of certain Sports Bars in the Development Territory, and that it would be difficult to calculate with certainty the amount of damage we will incur. Notwithstanding your agreement, if a court determines that this liquidated damages payment is unenforceable, then we may pursue all other available remedies, including consequential damages.

All unpaid amounts 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 the event of termination for any default by you, the sums due will include all damages, costs, and expenses, including reasonable attorneys' fees and expenses, incurred by us as a result of the default. You also must pay to us all damages, costs and expenses, including reasonable attorneys' fees and expenses, that we incur subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement.

D. Purchase Option. If this Agreement is terminated solely for your failure to meet the Development Schedule and for no other reason whatsoever, and you or Developer Subsidiaries have opened at least 50% of the total number of Sports Bars provided for in the Development Schedule, then you and the applicable Developer Subsidiaries may continue to operate those existing Sports Bars under the terms of the separate Franchise Agreement for each Sports Bar. On the other hand, if this Agreement is terminated under any other circumstance, we have the option to purchase from you or the applicable Developer Subsidiary all the assets used in the Sports Bars that have been developed prior to the termination of this Agreement. Assets include leasehold improvements, equipment, furniture, fixtures, signs, inventory, liquor licenses and other transferable licenses and permits for the Sports Bars. You agree to cause each Developer Subsidiary to comply with the terms of this subparagraph 9.D.

We have the unrestricted right to assign this option to purchase. We or our assignee will be entitled to all customary warranties and representations given by the seller of a business, including representations and warranties as to: (i) ownership, condition and title to assets; (ii) liens and encumbrances relating to the assets; and (iii) validity of contracts and liabilities inuring to us or affecting the assets, contingent or otherwise. The purchase price for the assets of the Sports Bars will be determined in accordance with the post-termination purchase option provision in the individual Franchise Agreement for each Sports Bar (with the purchase price to include the value of any going concern/accounting goodwill of the business attributable to the operation of the Sports Bar if you (or the applicable Developer Subsidiary) are in compliance with the terms and conditions of the Franchise Agreement for that Sports Bar). The purchase price must be paid in cash at the closing of the purchase, which must take place no later than 90 days after your receipt of notice of exercise of this option to purchase, at which time you (or the applicable Developer Subsidiary) must deliver instruments transferring to us or our assignee: (i) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us or our assignee), with all sales and other transfer taxes paid by you or the applicable Developer Subsidiary; and (ii) all licenses and permits of the Sports Bars that may be assigned or transferred. If you or the applicable Developer Subsidiary cannot deliver clear title to all of the purchased assets, or in the event there are other unresolved issues, the closing of the sale will be accomplished through an escrow. We have the right to set off against and reduce the purchase price by any and all amounts owed by you or your Developer Subsidiaries to us, and the amount of any

encumbrances or liens against the assets or any obligations assumed by us. You, the applicable Developer Subsidiary, and each holder of an interest in you and/or that Developer Subsidiary must indemnify us and our affiliates against all liabilities not so assumed. You or the applicable Developer Subsidiary must maintain in force all insurance policies required pursuant to the applicable Franchise Agreement until the closing on the sale.

E. Survival. All of our and your obligations that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied or by their nature expire.

TRANSFER

10. The following provisions govern any transfer:

A. Transfer by Us. We have the right to transfer all or any part of our rights or obligations under this Agreement to any person or legal entity.

B. Transfer by You. We have entered into this Agreement with specific reliance upon your personal experience, skills and managerial and financial qualifications. Consequently, this Agreement, and your rights and obligations under it, are and will remain personal to you. You may transfer your rights and interests under this Agreement, or any direct or indirect ownership interest in you, only if you (i) obtain our prior written consent, (ii) comply with all conditions and requirements for that transfer under all Franchise Agreements signed pursuant to this Agreement, and (iii) transfer all of your and all Developer Subsidiaries' rights and interests under all Franchise Agreements for Sports Bars in the Development Territory. Accordingly, the assignment terms and conditions of the Franchise Agreements signed pursuant to this Agreement shall apply to any transfer of your rights and interests under this Agreement. As used in this Agreement, the term "transfer" (whether or not capitalized) means any sale, assignment, gift, pledge, mortgage or any other encumbrance, transfer by bankruptcy, transfer by judicial order, merger, consolidation or exchange of ownership interests, issuance of ownership interests or similar securities, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary, of this Agreement or any interest in it, or any rights or obligations arising under it, or of any material portion of your assets, or of any interest in you.

MISCELLANEOUS

11. The parties agree to the following provisions:

A. Indemnification. You agree to protect indemnify, defend, reimburse, and hold harmless us, our affiliates, and our and their respective owners, officers, directors, employees, agents, representatives, successors and assigns from and against any and all claims, demands, damages, expenses and liabilities of any nature whatsoever (including attorneys' fees) arising in any manner, directly or indirectly, out of or in connection with or incidental to the development, use or operation of any of your of the Developer Subsidiaries' Sports Bars, the business you conduct under this Agreement, or your breach of or failure to comply with the terms and conditions of this Agreement. We also reserve the right to select our own legal counsel to represent our interests, and you must reimburse us for all our costs and attorneys' fees immediately upon our request as they are incurred. At our option, we may (at your expense) defend and control the defense of any claim or proceeding that is subject to this subparagraph 11.A.

B. Severability. Should one or more clauses of this Agreement be held void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses will be

deemed to be separable in such jurisdiction and the remainder of this Agreement is valid and in full force and effect and the terms of this Agreement must be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses.

C. Waiver/Integration. No waiver by us of any breach by you, nor any delay or failure by us to enforce any provision of this Agreement, may be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights with respect to that or any other or subsequent breach. Subject to our rights to modify standards and as otherwise provided herein, this Agreement may not be waived, altered, amended or rescinded, in whole or in part, except by a writing signed by you and us. This Agreement together with the addenda and appendices hereto and the application form executed by you requesting us to enter into this Agreement constitute the sole agreement between the parties with respect to the entire subject matter of this Agreement and embody all prior agreements and negotiations with respect to the business you operate under this Agreement. Any policies that we adopt and implement from time to time to guide us in our decision-making are subject to change, are not party of this Agreement and are not binding on us. You acknowledge and agree that you have not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of your business. There are no representations or warranties of any kind, express or implied, except as contained in this Agreement. However, nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you.

D. Notices. Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein must be in writing and signed by the party serving the same and either delivered personally or by a reputable overnight service or deposited in the United States mail, service or postage prepaid and addressed as follows:

1. If intended for us, addressed to General Counsel, Buffalo Wild Wings International, Inc., Three Glenlake Parkway NE, Atlanta, Georgia 30328;
2. If intended for you, addressed to you at the address listed on the cover page to this Agreement or at any Sports Bar;

or, in either case, as the intended party may change such address by written notice to the other party. Notices for purposes of this Agreement will be deemed to have been received if mailed or delivered as provided in this subparagraph 11.D.

E. Authority. Any modification, consent, approval, authorization or waiver granted hereunder will be valid only if in writing executed by the Principal Owner or, if on behalf of us, in writing executed by our President or one of our authorized Vice Presidents.

F. References. If the developer is two or more individuals, the individuals are jointly and severally liable, and references to you in this Agreement include all of the individuals. References to Sections and Appendices shall mean the applicable Section of or Appendix to his Agreement. Headings and captions contained herein are for convenience of reference and may not be taken into account in construing or interpreting this Agreement. The words “include,” “including,” and words of similar import shall be interpreted to mean “including, but not limited to” and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter.

G. Guarantee. If you are a corporation, limited liability company or partnership or other legal entity, all of your Principal Owners must execute the form of undertaking and guaranty at the end of this Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner must execute the form of undertaking and guaranty at the end of this

Agreement within 10 days from the date such person or entity becomes a Principal Owner; provided, however, that any person or entity who becomes a Principal Owner shall automatically acquire all the obligations of a Principal Owner under this Agreement at the time such person or entity becomes a Principal Owner. Before approving and entering into any transaction that would make any person or entity a Principal Owner, you must notify such person about the content of this subparagraph.

H. Successor/Assigns. Subject to the terms of Section 6 hereof, this Agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successor and assigns of the parties.

I. Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

1. Our Rights. Whenever this Agreement provides that we have a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement. Our rights under this Agreement are cumulative, and our exercise or enforcement of any right or remedy under this Agreement will not preclude our exercise or enforcement of any other right or remedy under this Agreement which we are entitled by law to enforce.

2. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise reasonable business judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System or Buffalo Wild Wings Sports Bars generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System or Buffalo Wild Wings Sports Bars include enhancing the value of the Trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System or Buffalo Wild Wings Sports Bars.

J. Relationship of the Parties. You and we are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party may obligate the other or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence.

K. Force Majeure. In the event of any failure of performance of this Agreement according to its terms by any party due to force majeure will not be deemed a breach of this Agreement. For purposes of this Agreement, "force majeure" shall mean acts of God, State or governmental action, riots, disturbance, war, strikes, lockouts, slowdowns, prolonged shortage of energy supplies or any raw material, epidemics, fire, flood, hurricane, typhoon, earthquake, lightning and explosion or other similar event or condition, not existing as of the date of signature of this Agreement, not reasonably foreseeable as of such date and not reasonably within the control of any party hereto, which prevents in whole or in material part the performance by one of the parties hereto of its obligations hereunder. Any delay resulting from these causes will extend

performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payment of amounts owed at the time of the occurrence or amounts due thereafter.

L. Adaptations and Variances. Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, we have the right to vary the Menu Items and other standards, specifications, and requirements for any Buffalo Wild Wings Sports Bars or franchisee based upon the customs or circumstances of a particular franchise or operating agreement, site or location, population density, business potential, trade area population, existing business practice, competitive circumstance or any other condition that we deem to be of importance to the operation of such restaurant, franchisee's business or the System. We are not required to grant to you a similar or other variation as a result of any variation granted to any other Buffalo Wild Wings Sports Bar.

M. No Liability for Our Related Parties. You agree that none of our past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for: (i) any of our obligations or liabilities relating to or arising from this Agreement; (ii) any claim against us based on, in respect of, or by reason of, the relationship between you and us; or (iii) any claim against us based on any of our alleged unlawful acts or omissions.

N. Effective Date. We will designate the "Effective Date" of this Agreement in the space provided on the cover page. If no Effective Date is designated on the cover page, the Effective Date is the date when we sign this Agreement.

O. 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 acknowledgment signed or agreed 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 executed the foregoing Agreement as of the dates written below.

YOU:

Date: _____

By: _____

Name: _____

Title: _____

US:

BUFFALO WILD WINGS INTERNATIONAL, INC.

Date: _____

By: _____

Name: _____

Title: _____

Appendix A to the Area Development Agreement

Guaranty and Assumption of Obligations

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ____day of _____, 20___, by each of the undersigned parties.

A. In consideration of, and as an inducement to, the execution of that certain Area Development Agreement (together with all amendments or modifications, the “Agreement”) on this date by **Buffalo Wild Wings International, Inc.** (“BWW”), each of the undersigned unconditionally (a) guarantees to BWW and its successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ (“Developer”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement; and (b) agrees to be bound by, and liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the arbitration, non-competition, confidentiality, and transfer requirements.

B. Each of the undersigned acknowledges that (a) he, she or it is either an owner (whether direct or indirect) of Developer or otherwise has a direct or indirect relationship with Developer or its affiliates; (b) he, she or it will benefit significantly from BWW’s entering into the Agreement with Developer; and (c) BWW would not enter into the Agreement unless each of the undersigned agrees to sign and comply with the terms of this Guaranty.

C. Each of the undersigned consents and agrees that: (a) his, her or its direct and immediate liability under this Guaranty will be joint and several, both with Developer and among other guarantors; (b) he, she or it will render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (c) this liability will not be contingent or conditioned upon BWW’s pursuit of any remedies against Developer or any other person or entity; (d) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which BWW may from time to time grant to Developer or to any other person or entity, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Developer or any of its owners or guarantors, and for so long as BWW has any cause of action against Developer or any of its owners or guarantors; and (e) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement, and despite the transfer of any direct or indirect interest in the Agreement or Developer, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

D. Each of the undersigned waives: (a) all rights to payments and claims for reimbursement or subrogation that any of the undersigned may have against Developer arising as a result of the undersigned’s execution of and performance under this Guaranty, for the express purpose that none of the undersigned shall be deemed a “creditor” of Developer under any applicable bankruptcy law with respect to Developer’s obligations to BWW; (b) all rights to require BWW to proceed against Developer for any payment required under the Agreement, proceed against or exhaust any security from Developer, take any action to assist any of the undersigned in seeking reimbursement or subrogation in connection with this Guaranty or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Developer; (c) any benefit of, or any right to participate in, any security now or hereafter held by BWW; and (d) acceptance and notice of acceptance by BWW of his, her or its undertakings under this Guaranty, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of

any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. BWW shall have no present or future duty or obligation to the undersigned under this Guaranty, and each of the undersigned waives any right to claim or assert any such duty or obligation, to discover or disclose to the undersigned any information, financial or otherwise, concerning Developer, any other guarantor, or any collateral securing any obligations of Developer to BWW. Without affecting the obligations of the undersigned under this Guaranty, BWW may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement or any indebtedness or obligation of Developer, or settle, adjust, release, or compromise any claims against Developer or any other guarantor, make advances for the purpose of performing any obligations of Developer under the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and the undersigned each hereby jointly and severally waive notice of same. The undersigned expressly acknowledge that the obligations hereunder survive the expiration or termination of the Agreement.

E. In addition, the undersigned each waive any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Developer, (b) any lack of authority of Developer with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of Developer, (d) any circumstance whereby the Agreement shall be void or voidable as against Developer or any of its creditors, including a trustee in bankruptcy of Developer, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of the undersigned's obligations hereunder, except that the undersigned do not waive any defense arising from the due performance by Developer of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Developer or any other guarantor, and (g) any act or omission of Developer.

F. If BWW is required to enforce this Guaranty in a judicial proceeding, and prevails in such proceeding, BWW shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If BWW is required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse BWW for any of the above-listed costs and expenses it incurs.

G. Each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between BWW and the undersigned, must be brought exclusively in the federal or state court of general jurisdiction located closest to our then current principal office at the time that the action is brought. Each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he, she or it might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that BWW may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he, she or it is domiciled or has assets. **EACH OF THE UNDERSIGNED IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, ARISING UNDER OR RELATING TO THIS GUARANTY OR ITS ENFORCEMENT.**

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

GUARANTOR(S)

[Signature]

[Print Name]

[Signature]

[Print Name]

[Signature]

[Print Name]

[Signature]

[Print Name]

Appendix B to the Area Development Agreement

STATEMENT OF OWNERSHIP/LEGAL COMPOSITION

1. Please check one option: Individually Owned , Corporation , Sub-Chapter S Corporation , Partnership , or Limited Liability Company .

2. Individual Name or Entity Name: _____
(This should be the individuals or the Developer to which the Area Development Agreement is issued.)

3. If Entity, duly organized on _____ and existing under the laws of the State of _____

4. Principal Business Address (No PO Box #'s): _____

5. Direct and Indirect Owners:

Name	Address	Email Address	% Ownership

6. The following Owner/Shareholder/Partner/Member will spend full time in active management and is the control person:

Name	Address	Email Address	Title

PLEASE SUBMIT A COPY OF THE ORGANIZATION DOCUMENTS, IF APPLICABLE: Include Articles of Incorporation, Partnership Agreement, Limited Liability Company Operating Agreement, Bylaws, Certificate of Authority to do business in the state in which the business will be operated (if a foreign corporation, partnership or LLC), copies of all issued and outstanding stock certificates (front and back), copies of all cancelled stock certificates (front and back) and other applicable organization documents to confirm the legal composition of the Developer.

Your Initials

Our Initials

Appendix C to the Area Development Agreement

DESCRIPTION OF DEVELOPMENT TERRITORY

Your Initials

Our Initials

Appendix D to the Area Development Agreement

DEVELOPMENT SCHEDULE AND DEVELOPMENT FEE

You acknowledge and agree that a material provision of the Area Development Agreement is that the following number of new Sports Bars must be developed, opened, and continuously operating in the Development Territory in accordance with the following Development Schedule:

Sports Bar Number	Date by Which Franchise Agreement Must be Signed	Date by Which Sports Bar Must be Opened and Operating	Cumulative number of Sports Bars Required to be Open and Continuously Operating in the Development Territory as of the Date in Preceding Column
1	Date of this Agreement		1
2			2

For purposes of determining compliance with the above Development Schedule: (1) only the Sports Bars actually open and continuously operating for business in the Development Territory in compliance with the applicable franchise agreement as of a given date will be counted toward the Development Schedule, and (2) only the new Sports Bars you develop, open, and continuously operate in the Development Territory will count towards the number of cumulative number of Sports Bars required to be open and continuously operating in the Development Territory. Any Sports Bars that you or your affiliates acquire from us or another Buffalo Wild Wings® franchisee will not be counted towards the cumulative number of Sports Bars required to be open and continuously operating in the Development Territory under the Development Schedule above.

The Development Fee payable under the Area Development Agreement is \$_____, which is \$12,500 times the number of Sports Bars that you are required to develop in the Development Territory under the Development Schedule.

Your Initials

Our Initials

Appendix E to the Area Development Agreement

Development Incentives Amendment

This Development Incentives Amendment to the Development Agreement (the “**Amendment**”) is made and entered into on _____ (the “**Effective Date**”), by and between BUFFALO WILD WINGS INTERNATIONAL, INC. (“**we**,” “**us**,” or “**our**”) and _____ (“**you**” or “**your**”).

BACKGROUND

A. Simultaneously with signing this Amendment, we and you are signing an Area Development Agreement dated as of the date hereof (the “**Development Agreement**”) granting you the right to develop Buffalo Wild Wings Sports Bars in the Development Territory. All initial capitalized terms used but not defined in this Amendment shall have the meanings set forth in the Development Agreement.

B. Before developing and operating each Sports Bar that you agree to open under the Development Agreement, you must sign a Franchise Agreement.

C. We and you are signing this Amendment because we have committed, upon the satisfaction of certain conditions, to modify certain requirements under the Franchise Agreements to reflect incentives we currently offer to developers entering into new development rights riders, including an initial franchise fee credit and a temporary weekly Royalty Fee (“**Royalty**”) reduction.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Application of Amendment. We and you are signing this Amendment because we and you are signing the Development Agreement on or before March 31, 2024 and the Sports Bars you develop under the Development Agreement on or before December 31, 2026 may be eligible for incentive programs described in this Amendment, if you meet the program’s conditions. Therefore, notwithstanding any terms in the Development Agreement to the contrary, we agree that the Franchise Agreement that we and you sign for certain Sports Bars developed under the Development Agreement will reflect the terms of the applicable incentive program described in this Amendment, if you meet the program’s conditions.

2. Standard Adopter Incentive. Because we and you are signing this Amendment before March 31, 2024, each Sports Bar you develop under the Development Schedule will receive the benefits of our Standard Adopter Incentive program (the “**Standard Adopter Incentive Program**”) if you (a) open and begin operating that Sports Bar in accordance with the applicable Franchise Agreement on or before the earlier of the deadline in the Development Schedule or December 31, 2026 (the “**Applicable Opening Deadline**”), (b) provide to us a report, in the format and containing the information that we reasonably specify, identifying the amounts that you spend in various categories relating to the development and opening of that Sports Bar within 120 days after the Sports Bar first opens for business, and (c) build that Sports Bar in the design, to the specifications, and at the location approved by us in accordance with the applicable Franchise Agreement. Under the Standard Adopter Incentive Program, you will pay the full initial franchise fee when you sign the Franchise Agreement for each Sports Bar. Then, if you satisfy the conditions in (a) through (c) above, we will credit an amount equal to the initial franchise fee you paid plus the portion of the development fee that we

credit towards that initial franchise fee (the “**SAIP IFF Credit**”) towards the Royalties owed under that Franchise Agreement. If you fail to satisfy the conditions in (a) through (c) above, the Standard Adopter Incentive Program, including the reduced Royalties in Sections 3 and 4 of this Amendment, will not apply to the Sports Bar.

3. Royalties. If you meet the requirements of the Standard Adopter Incentive Program, then subject to your qualifying for the Additional Early Opening Benefit (defined below), the Franchise Agreement for that Sports Bar will provide the following Royalties:

- a. For each Franchise Agreement that is signed in compliance with this Agreement (including the Development Schedule), if the Opening Date is on or before December 31, 2024, and the applicable Sports Bar opens and begins operating in compliance with this Agreement and the applicable Franchise Agreement, then the Royalty Fee (as defined in the applicable Franchise Agreement) will be the following:
 - i. 1% of Gross Sales (as defined in the applicable Franchise Agreement) accrued during the first 12 months of the Sports Bar’s operation;
 - ii. 2% of Gross Sales accrued during the second 12 months of the Sports Bar’s operations;
 - iii. 4% of Gross Sales accrued during the third 12 months of the Sports Bar’s operations; and
 - iv. 5% of Gross Sales accrued during the remained of the term of the applicable Franchise Agreement.
- b. For each Franchise Agreement that is signed in compliance with this Agreement (including the Development Schedule), if the Opening Date is on or between January 1, 2025 and December 31, 2026, and the applicable Sports Bar opens and begins operating in compliance with this Agreement and the applicable Franchise Agreement, then the Royalty Fee (as defined in the applicable Franchise Agreement) will be the following:
 - i. 2% of Gross Sales accrued during the first 12 months of the Sports Bar’s operation;
 - ii. 3% of Gross Sales accrued during the second 12 months of the Sports Bar’s operations;
 - iii. 4% of Gross Sales accrued during the third 12 months of the Sports Bar’s operations; and
 - iv. 5% of Gross Sales accrued during the remained of the term of the applicable Franchise Agreement.

4. Additional Early Opening Benefit. If you meet the requirements of the Standard Adopter Incentive Program set forth above, the Franchise Agreement for that Sports Bar will provide the following Royalties:

- a. For each Franchise Agreement that is signed in compliance with this Agreement (including the Development Schedule), if the Development Schedule requires the applicable Sports Bar to open on or between January 1, 2024 through December 31, 2024, and you open and begin operating the applicable Sports Bar in accordance with the applicable Franchise Agreement at

least three (3) months before the Applicable Opening Deadline, then the Royalty Fee (as defined in the applicable Franchise Agreement) will be the following:

- i. 0% of Gross Sales accrued during the first 6 months of the Sports Bar's operation;
 - ii. 1% of Gross Sales accrued between month 7 and month 18 of the Sports Bar's operations;
 - iii. 2% of Gross Sales accrued between month 19 and month 30 of the Sport's Bar's operations;
 - iv. 4% of Gross Sales accrued between month 31 and month 42 of the Sports Bar's operations; and
 - v. 5% of Gross Sales accrued during the remained of the term of the applicable Franchise Agreement.
- b. For each Franchise Agreement that is signed in compliance with this Agreement (including the Development Schedule), if the Development Schedule requires the applicable Sports Bar to open on or between January 1, 2025 through December 31, 2026, and you open and begin operating the applicable Sports Bar in accordance with the applicable Franchise Agreement at least three (3) months before the Applicable Opening Deadline, then the Royalty Fee (as defined in the applicable Franchise Agreement) will be the following:
- i. 0% of Gross Sales accrued during the first 6 months of the Sports Bar's operation;
 - ii. 2% of Gross Sales accrued between month 7 and month 18 of the Sports Bar's operations;
 - iii. 3% of Gross Sales accrued between month 19 and month 30 of the Sport's Bar's operations;
 - iv. 4% of Gross Sales accrued between month 31 and month 42 of the Sports Bar's operations; and
 - v. 5% of Gross Sales accrued during the remained of the term of the applicable Franchise Agreement.

5. Miscellaneous. The Background is incorporated into this Amendment by this reference. This Amendment is an amendment to, and forms a part of, the Development Agreement. If there is an inconsistency between this Amendment and the Development Agreement, the terms of this Amendment shall control. This Amendment, together with the Development Agreement, constitutes the entire agreement among the Parties hereto, and there are no other oral or written representations, understandings or agreements among them, relating to the subject matter of this Amendment. Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Development Agreement will remain in full force and effect as originally written and signed.

[signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Incentive Amendment the dates written below.

YOU:

Date: _____

By: _____

Name: _____

Title: _____

US:

BUFFALO WILD WINGS
INTERNATIONAL, INC.

Date: _____

By: _____

Name: _____

Title: _____

EXHIBIT E

**LIST OF SPORTS BAR LOCATIONS
AS OF JANUARY 1, 2023**



**BUFFALO
WILD
WINGS®**

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
AK	Anchorage	3611	3400 C Street	99503	907-563-9464	FROZEN WINGS, INC.
AL	Alabaster	3285	840 Colonial Prommendade Parkway	35007	205-664-0040	SOUTHERN WINGS FOUR, LLC
AL	Albertville	3915	128 AL HWY 75	35950	256-660-0636	Albertville OpCo, LLC
AL	Athens	3814	935 US Highway 72	35611	256-998-5300	Patton Athens OpCo, LLC
AL	Birmingham	3232	5915 Trussville Crossing Parkway	35173	205-655-2521	SOUTHERN WINGS THREE, LLC
AL	Birmingham	3850	1416 4th Avenue South	35233	205-297-0090	SOUTHERN WINGS TWELVE, LLC
AL	Birmingham	3163	4507 Riverview Parkway #108	35242	205-991-1955	SOUTHERN WINGS TWO, LLC
AL	Chelsea	3885	110 Atchison Parkway	35043	205-677-9058	Southern Wings Fourteen, LLC
AL	Cullman	3767	1700B 2nd Avenue SW	35055	256-736-1499	CULLMAN OPCO, LLC
AL	Decatur	3685	945 Wimberly Drive SW	35603	256-301-5454	DECATUR OPCO, LLC
AL	Florence	3536	2870 Florence Blvd.	35360	256-740-8464	FLORENCE OPCO, LLC
AL	Foley	3879	2600 South McKenzie Street	36535		POTTERS WINGS FOLEY, LLC
AL	Gadsden	3862	91 East Chestnut Street	35903	256-467-4540	GADSDEN OPCO, LLC
AL	Gardendale	3636	2505 Caufield Drive	35071	205-631-7646	SOUTHERN WINGS TEN, LLC
AL	Hoover	3133	2772 John Hawkins Parkway #100	35244	205-983-9464	SOUTHERN WINGS, LLC
AL	Huntsville	3813	7042 Highway 72 West	35806	256-890-8500	Huntsville OpCo, LLC
AL	Mobile	3433	6341 Airport Blvd.	36608	251-378-5955	POTTER'S WINGS, LLC
AL	Oxford	3886	1150 Oxford Exchange Boulevard	36203	256-342-0214	SOUTHERN WINGS THIRTEEN, LLC
AL	Pell City	3816	290 Vaughn Lane	35125	205-814-7177	SOUTHERN WINGS ELEVEN, LLC
AL	Tuscaloosa	3320	2710 McFarland Blvd. East	35405	205-523-0273	SOUTHERN WINGS FIVE, LLC
AR	Bentonville	3227	2707 SE Moberly Lane	72712	479-254-9464	Bentonville Wings, LLC
AR	Bryant	3798	7206 Alcoa Road	72022	501-778-9464	BRYANT WINGS, LLC
AR	Conway	3577	675 Amity Road	72032	501-205-1940	CONWAY WILD WINGS, LLC
AR	Fayetteville	3805	3990 North Steele Blvd.	72701	479-251-9464	Fayetteville Wings, LLC

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
AR	Fort Smith	3572	6550 Rogers Avenue	72903	479-222-6700	FORT SMITH FIERY HOT, LLC
AR	Jonesboro	3691	1503 Red Wold Blvd.	72401	870-336-3920	JONESBORO WINGS, LLC
AR	Little Rock	3449	14800 Cantrell Road	72223	501-868-5279	R WINGS R WILD, LLC
AR	Sherwood	3621	4600 Silver Creek Drive	72120	501-819-0192	NORTH LITTLE ROCK WINGS, LLC
AR	Springdale	3318	6938 West Sunset	72762	479-419-5374	Springdale Wings, LLC
AZ	Bullhead City	3359	2040 Highway 95	86442	928-763-9464	LANCASTER WINGS WEST III, LLC
AZ	Casa Grande	3759	859 North Promenade Parkway	85194	520-836-9464	MCQUELLIOT-AZ, INC.
AZ	Flagstaff	3176	2700 South Woodlands Village Blvd., Suite 550	86001	928-774-3550	LANCASTER WINGS WEST, LLC
AZ	Gilbert	3184	970 South Gilbert Road	85296	480-632-9464	GIL-WARNER-AZ, INC.
AZ	Prescott Valley	3248	2985 North Centre Court	86314	928-759-9800	LANCASTER WINGS WEST II, LLC
AZ	Yuma	3236	1317 South Yuma Palms Parkway	85365	928-373-2300	WINGS WEST ONE, LLC
CA	Aliso Viejo	3558	26711 Aliso Creek Road #100B	92656	949-461-2652	SC WINGS ALISO VIEJO, LLC
CA	Apple Valley	3421	18965 Bear Valley Road	92308	760-961-1500	WINGMEN V, LLC
CA	Bakersfield	3527	5677 Gosford Road	93313	661-664-4550	WINGMEN V, LLC
CA	Bakersfield	3841	3316 Coffee Road	93308	661-587-3830	WINGMEN V, LLC
CA	Brea	3499	260 South Brea Blvd.	92821	714-582-1590	WINGMEN V, LLC
CA	Buena Park	3463	8301B On the Mall	90620	714-538-9464	SC Wings Buena Park, LLC
CA	Burbank	3466	127 East Palm Avenue	91502	818-524-2373	WINGMEN V, LLC
CA	Canyon Country	3687	19252 Soledad Canyon Road	91351	661-250-9464	WINGMEN V, LLC
CA	Carson	3758	736 Del Amo Blvd.	90746	310-436-7793	Carson Wild Wings, LLC
CA	Chicopee	3743	845 East Avenue	95926	530-592-3251	WINGMEN V, LLC
CA	Chino Hills	3333	3160 Chino Avenue	91709	909-591-9035	WINGMEN V, LLC
CA	Dublin	3436	3712 Dublin Blvd.	94568	925-361-0447	FJC MANAGEMENT, INC.
CA	Eastvale	3384	12411 Limonite Avenue, Suite 650	91752	951-360-6086	WINGMEN V, LLC
CA	Fairfield	3506	1350 Travis Blvd., Suite 1510-A	94533	707-422-9964	FJC MANAGEMENT, INC.
CA	Glendale	3662	142-C South Brand Street	91205	818-545-3885	WINGMEN V, LLC
CA	Huntington Beach	3593	7811 Edinger Avenue, Suite 124	92647	714-898-8300	SC WINGS HUNTINGTON BEACH, LLC
CA	Irvin	3347	14110 Culver Drive	92604	949-872-2999	GREAT LAKES EQUITY PARTNERS, LLC
CA	Lake Forest	3419	23600 Rockfield Blvd.	92630	949-588-9464	ORANGE COUNTY EQUITY PARTNERS, LLC

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
CA	Livermore	3676	1790 North First Street	94550	925-373-9464	FJC MANAGEMENT, INC.
CA	Los Angeles	3822	3150 Wilshire Blvd., Suite 100	90010	213-201-6570	KOREATOWN WILD WINGS, LLC
CA	Mission Viejo	3514	27741 Crown Valley Parkway, Suite 303	92691	949-582-2660	SC WINGS MISSION VIEJO, LLC
CA	Montclair	3833	4955 South Montclair Plaza Lane	91763	909-399-9465	WINGMEN V, LLC
CA	Moreno Valley	3511	12450 Day Street	92553	951-653-9464	PACIFIC WINGS, INC.
CA	Murrieta	3324	40484 Murrieta Hot Springs Road	92563	951-677-3636	ISHA INVESTMENTS, INC.
CA	Orange	3575	20 City Blvd., Suite 901	92868	714-939-9151	SC WINGS BLOCK, LLC
CA	Palmdale	3403	40155 10th Street West	93551	661-947-0900	WINGMEN V, LLC
CA	Pasadena	3562	1000 South Fair Oaks Avenue	91105	626-993-6400	WINGMEN V, LLC
CA	Petaluma	3698	401 Kenilworth Drive, Suite 810	94952	707-765-9464	WINGMEN V, LLC
CA	Rancho Cucamonga	3247	8188 Day Creek Blvd. #140	91739	909-899-9832	WINGMEN V, LLC
CA	San Bernardino	3705	690 East Hospitality Lane	92408	909-380-7692	PACIFIC WINGS TWO, INC.
CA	Temecula	3869	32401 Temecula Parkway	92592	951-303-0225	ISHARYAAN, LLC
CA	Torrance	3351	3525 West Carson Street, Suite 163	90503	310-542-3400	BRW WINGS, LLC
CA	Vacaville	3540	1601 East Monte Vista Avenue	95688	707-474-5222	FJC MANAGEMENT, INC.
CA	West Covina	3484	2548 East Workman Avenue	91791	626-967-9888	WINGMEN V, LLC
CA	Yuba City	3744	1086 Harter Parkway	95993	530-755-9851	WINGMEN V, LLC
CT	Danbury	3431	26 Backus Avenue	06810	203-794-9453	FOUR M FOOD SERVICE OF DANBURY, LLC
CT	Manchester	3603	112 Buckland Street	06042	860-649-9464	FLETCH, LLC
CT	Milford	3296	1201 Boston Post Road	06460	203-877-9453	FOUR M FOOD SERVICE OF MILFORD, LLC
CT	North Haven	3594	350 Universal Drive North	06473	203-234-9453	FOUR M FOOD SERVICE OF NORTH HAVEN, LLC
CT	Southington	3663	750 Queen Street	06489	860-863-5144	GRAMPY, LLC
CT	Stamford	3349	208 Summer Street	06901	203-324-9453	FOUR M FOOD SERVICE OF STAMFORD, LLC
CT	Waterbury	3623	315 Union Street	06706	203-574-9464	FINNAVA, LLC
CT	Wethersfield	3707	1267 Silas Deane Highway	06109	860-571-9464	MESSNER, LLC
CT	Windsor	3322	703 Poquonock Avenue	06095	860-688-9464	INFERNO, LLC
DE	Bear	3226	1887 Pulaski Highway	19701	302-832-3900	ROUND 1, LLC

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
DE	Dover	3281	680 South Bay Road	19901	302-346-9464	SECOND 2 NONE, LLC
DE	Middletown	3299	540 West Main Street	19709	302-285-0000	TRY-FECTA, LLC
DE	Newark	3831	501 Stanton Christiana Road	19713	302-999-9211	FOURSOME, LLC
DE	Newark	3444	100 South Main Street	19711	302-731-3145	STARTING 5, LLC
DE	Rehoboth Beach	3612	19930 Lighthouse Plaza Blvd.	19971	302-727-5946	7TH INNING STRETCH, LLC
FL	Boynton Beach	3909	1401 North Congress Avenue	33426	561-736-8697	GDF Partners Florida, LLC
FL	Coral Springs	3904	5840 Wiles Road	33067	954-255-6744	GDF Partners Florida, LLC
FL	Cutler Bay	3912	20505 South Dixie Highway	33156	305-238-8850	GDF Partners Florida, LLC
FL	Deerfield Beach	3910	1219 South Federal Highway	33441	954-570-0405	GDF Partners Florida, LLC
FL	Fort Walton Beach	3109	99 Eglin Parkway #3A	32548	850-301-9464	BUCK HAWK OF FLORIDA, INC.
FL	Homestead	3799	2580 NE 10th Court	33033	305-248-9464	WINGMEN V, LLC
FL	Jensen Beach	3908	3299 NW Federal Highway	34957	772-692-0465	GDF Partners Florida, LLC
FL	Miami	3911	11401 NW 12th Street	33172	305-513-2660	GDF Partners Florida, LLC
FL	Panama City Beach	3404	701 South Pier Park Drive, Suite 100	32413	850-236-0325	SOLAR SIMIANS, INC.
FL	Pembroke Pines	3906	11555 Pines Blvd.	33026	954-499-1439	GDF Partners Florida, LLC
FL	Plantation	3907	8000 West Broward Blvd.	33388	954-370-0194	GDF Partners Florida, LLC
FL	Wellington	3903	2837 South State Road	33414	561-383-8527	GDF Partners Florida, LLC
FL	West Palm Beach	3905	4567 Okechobee Blvd.	33417	561-687-2999	GDF Partners Florida, LLC
GA	Atlanta	9600	1425 Ellsworth Industrial BLVD NW	30318		Alliance Kitchen, LLC (BWW)
GA	Atlanta	3672	6000 North Terminal Parkway, Terminal D	30320	404-763-0770	PNH ATL BUFFALO WILD WINGS, LLC
GA	Rome	3916	737 Turner McCall Blvd NE	30165	706-237-6194	Rome OpCo, LLC
IA	Burlington	3541	1053 Lawrence Drive	52601	319-754-9464	WINGMEN V, LLC
IL	Bloomington	3233	3220 East Empire	61704	309-661-8027	WINGMEN V, LLC
IL	Bolingbrook	3183	777 East Boughton Road	60440	630-739-2999	WINGS R' US BOLINGBROOK, INC.
IL	Bradley	3367	2012 North State Route 50	60914	815-932-9453	BDAJ, INC.
IL	Calumet City	3462	1250 Torrence Avenue	60409	708-782-1020	AMC CALUMENT CITY, INC.
IL	Carbondale	3282	1435 East Main	62901	618-529-4686	Carbondale OpCo, LLC
IL	Champaign	3092	907 West Marketview Drive	61822	217-378-4400	WINGMEN V, LLC
IL	Chicago	3689	1832 North Clybourn	60614	773-868-9453	AMC CHICAGO, INC.

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
IL	Chicago Ridge	3460	111 Chicago Ridge Mall Drive, Suite F15	60415	708-424-9464	WILD FIVE, INC.
IL	Danville	3446	3101 North Vermilion Street	61832	217-442-9464	DANVILLE WINGS 2, LLC
IL	East Peoria	3246	833 West Camp Street	61611	309-699-9464	WINGMEN V, LLC
IL	Edwardsville	3330	249 Harvard Drive	62025	618-656-9464	AMC EDWARDSVILLE, INC.
IL	Effingham	3413	1001 Avenue of Mid America, Suite 1	62401	217-540-9464	WINGMEN V, LLC
IL	Elmhurst	3123	149 North York Street	60126	630-832-2999	WINGS R' US ELMHURST, INC.
IL	Forsyth	3415	851 South US Route 51	62535	217-877-8370	WINGMEN V, LLC
IL	Frankfort	3210	20596 South La Grange Road	60423	815-806-2223	GOT WINGS, INC.
IL	Galesburg	3389	2683 Seminary Street	61401	309-341-1244	WINGMEN V, LLC
IL	Homewood	3564	17510 South Halsted Street	60430	708-922-9453	AMC HOMEWOOD, INC.
IL	Jacksonville	3710	1235 West Morton Avenue	62650	217-866-1937	TENPUTT, INC.
IL	Lansing	3447	3720 Ridge Road	60438	708-895-3300	AMC LANSING, INC.
IL	Macomb	3352	1724 East Jackson	61455	309-833-5707	WINGMEN V, LLC
IL	Marion	3817	1311 Halfway Road	62959	618-997-9464	Marion OpCo, LLC
IL	Mattoon	3382	124 Dettro Drive	61938	217-258-9464	WINGMEN V, LLC
IL	Mt. Vernon	3538	227 Potomac Blvd.	62864	618-246-2999	Mt. Vernon OpCo, LLC
IL	New Lenox	3755	414 Nelson Road, Unit 414	60451	815-463-9333	HWGA, INC.
IL	Normal	3752	603 South Main Street	61761	309-808-4444	WINGMEN V, LLC
IL	O'Fallon	3294	1424 Central Park Circle	62269	618-624-6464	AMC O'FALLON ILLINOIS, INC.
IL	Orland Park	3126	15888 La Grange Road	60462	708-364-9464	FRALICH, INC.
IL	Pekin	3751	3333 Court Street	61554	309-201-4159	TWELVEPUTT, INC.
IL	Peoria	3174	5121 West American Prairie Drive	61615	309-691-9453	WINGMEN V, LLC
IL	Peru	3477	2807 Plaza Drive	61354	815-780-8283	WINGMEN V, LLC
IL	Plainfield	3154	11820 South Route 59	60585	815-436-8130	WINGS R' US PLAINFIELD, INC.
IL	Quincy	3369	6120 Broadway	62305	217-228-9288	WINGMEN V, LLC
IL	Romeoville	3213	74 South Weber Road	60446	815-372-2999	WINGS R' US ROMEOVILLE, INC.
IL	Savoy	3327	1335 Savoy Plaza Drive	61874	217-356-9464	WINGMEN V, LLC
IL	Springfield	3317	4420 Wabash Avenue	62711	217-546-9453	WINGMEN V, LLC
IL	Springfield	3526	2808 North Dirksen Parkway	62702	217-670-0048	WINGMEN V, LLC
IL	Sterling	3515	4304 East Lincolnway Avenue, Suite A	61081	815-564-9284	WINGMEN V, LLC
IL	Tinley Park	3258	7301 West 183rd Street	60477	708-444-2223	KBF, INC.

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
IN	Anderson	3728	5901 South Scatterfield Road	46013	765-640-2999	WINGMEN V, LLC
IN	Angola	3468	202 East Harcourt	46703	260-624-3111	ANGOLA WINGS, LLC
IN	Auburn	3365	1071 Smaltz Way	46706	260-925-2003	AUBURN WINGS, LLC
IN	Avon	3486	9875 East US Highway 36	46123	317-271-9464	AVON WINGS, LLC
IN	Bloomington	3242	1350 West Bloomfield Road	47403	812-339-2900	TD-ROC'S, INC
IN	Brownsburg	3525	1551 North Green Street, Suite Q	46112	317-456-4982	WINGMEN V, LLC
IN	Columbus	3300	2035 Jonathon Moore Pike	47201	812-375-1770	IT'S A BUFFALO, INC.
IN	Crawfordsville	3368	1870 South US Highway 231, Suite A	47933	765-362-6400	WINGMEN V, LLC
IN	Crown Point	3434	1684 East Summit Street	46307	219-663-9453	AMC CROWN POINT, INC.
IN	Elkhart	3781	522 Windsor Avenue East	46514	574-226-0311	DDG & B, INC.
IN	Fishers	3225	13977 Trade Center Drive	46037	317-770-2999	WINGMEN V, LLC
IN	Fishers	3474	13868 East 116th Street	46037	317-913-2999	WINGMEN V, LLC
IN	Fort Wayne	3253	5519 Coventry Lane	46804	260-459-3407	HOOSIER WING IT II, LLC
IN	Fort Wayne	3161	1425 West Dupont Road	46825	260-490-6556	HOOSIER WING IT, LLC
IN	Fort Wayne	3196	10524 Maysville Road	46835	260-486-9464	MAYSVILLE WINGS, LLC
IN	Franklin	3832	2330 North Morton Street	46131	317-560-5318	WINGMEN V, LLC
IN	Goshen	3147	1829 Rieth Blvd.	46526	574-875-9299	HSR, INC.
IN	Greencastle	3531	1310 Indianapolis Road	46135	765-653-6486	GREENCASTLE WINGS, LLC
IN	Greenfield	3849	1997 Melody Lane	46140	317-967-7962	GREENFIELD WINGS, LLC
IN	Greenwood	3342	1077 North Emerson Avenue	46143	317-859-2999	WINGMEN V, LLC
IN	Hammond	3642	2942 Carlson Drive	46323	219-844-2600	AMC HAMMOND, INC.
IN	Indianapolis	3011	8440 Castleton Corner Drive	46250	317-577-2999	WINGMEN V, LLC
IN	Indianapolis	3125	2514 Lake Circle Drive	46268	317-872-9464	WINGMEN V, LLC
IN	Indianapolis	3416	7 East Washington Street	46204	317-951-9464	WINGMEN V, LLC
IN	Indianapolis	3678	2747 East 62nd Street	46220	317-257-2999	WINGMEN V, LLC
IN	Indianapolis	3172	8020 US 31 South	46227	317-881-7500	WINGMEN V, LLC
IN	Kokomo	3522	1780 East Blvd., Unit 119	46902	765-457-9453	WINGMEN V, LLC
IN	Lafayette	3297	2715 South Creasy Lane	47905	765-477-9325	WINGMEN V, LLC
IN	LaPorte	3430	23 Pine Lake Avenue	46350	219-324-9464	LAPORTE WINGS, LLC

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
IN	Lebanon	3702	2470-G North Lebanon	46052	765-481-2500	LEBANON WINGS, LLC
IN	Logansport	3582	3900 Lexington Road, Suite 100	46947	574-516-1011	LOGANSFORT WINGS, LLC
IN	Marion	3357	1129 North Baldwin Avenue, Unit 35	46952	765-673-0757	WINGMEN V, LLC
IN	Merrillville	3354	2515 Southlake Mall Drive	46410	219-794-9453	AMC HOBART, INC.
IN	Mishawaka	3301	4343 North Grape Road	46545	574-272-9464	STAUFFER INVESTMENTS, INC.
IN	Muncie	3230	838 East McGalliard Road	47303	765-284-9464	MUNCIE WING IT, LLC
IN	New Castle	3701	1715 South Memorial	47362	765-388-2800	NEW CASTLE WINGS, LLC
IN	Portage	3328	6530 US Highway 6	46368	219-762-2121	PORTAGE WINGS, LLC
IN	Schererville	3060	1200 Indianapolis Blvd. (US-41)	46375	219-865-3222	AMC SCHERERVILLE, INC.
IN	Seymour	3492	2008 East Tipton Street	47274	812-519-3596	SEYMOUR ROC'S WING COMPANY
IN	Shelbyville	3665	1623 East Michigan Road	46176	317-604-5167	SHELLBYVILLE WINGS, LLC
IN	South Bend	3557	326 West Ireland Road	46614	574-232-2293	STAUFFER & ASSOCIATES ENTERPRISES, INC.
IN	Speedway	3411	6129 Crawfordsville Road, Unit B	46224	317-241-9464	WINGMEN V, LLC
IN	Valparaiso	3151	212 East Lincoln Way	46383	219-548-9464	AMC VALPARAISO, INC.
IN	Vincennes	3353	2407 North 6th Street	47591	812-895-9464	VINCENNES WINGS, LLC
IN	Warsaw	3554	376 Enterprise Drive	46580	574-267-7707	WARSAW WINGS, LLC
IN	West Lafayette	3105	360 Brown Street	47906	765-743-1188	WINGMEN V, LLC
IN	Westfield	3265	2510 East 146th Street	46033	317-848-2500	COOL WINGS, LLC
IN	Zionsville	3783	6537 Whitestown Parkway	46077	317-344-6120	WINGMEN V, LLC
KY	Louisville	3412	4600 Shelbyville Road	40207	502-899-7732	ANGST, INC.
KY	Louisville	3650	10206 Westport Road	40241	502-394-9596	CLEAT, INC.
KY	Morehead	3287	250 Newtowne Square	40351	606-784-1299	JARS II, INC.
KY	Pikeville	3802	163 Lee Avenue	41501	606-432-2936	SCHMIDT GROUP KY, INC.
LA	Alexandria	3524	2711 South MacArthur Drive	71301	318-880-0300	R.C. ALEXANDRIA GROUP, LLC
LA	Baton Rouge	3573	3260 Highland Road, Suite 2 & 3	70802	225-448-5770	WINGS FIVE LA, LLC
LA	Baton Rouge	3134	7524 Blue Bonnet Blvd.	70810	225-819-8438	WINGS THREE LA, LLC
LA	Bossier City	3791	2640 Airline Drive	71111	318-747-7095	WINGS TWO LA, LLC
LA	Covington	3539	3019 Pinnacle Parkway	70433	985-327-0124	BLAZIN CONCEPTS - COVINGTON, LLC
LA	Elmwood	3637	909 Clearview Parkway	70121	504-207-7563	NOLA WINGS ELMWOOD, LLC

List of Franchisees as of January 1, 2023						
State	City	#	Address	Zip	Phone	Entity
LA	Gonzales	3812	2725 South Veterans Avenue	70737	225-450-6401	R.C. BWW GONZALES GROUP, LLC
LA	Hammond	3207	2730 West Thomas Street	70401	985-419-0101	BAYOU WINGS, L.L.C.
LA	Lafayette	3175	4415 Ambassador Caffery Parkway, Suite 700	70508	337-984-7990	WINGS ONE LA, LLC
LA	Lafayette	3677	2804 NE Evangeline Thruway	70507	337-504-5255	WINGS SIX LA, LLC
LA	Lake Charles	3870	3136 Ave L'Auberge Blvd.	70601	337-562-1299	R.C. LAKE CHARLES GROUP, LLC
LA	Metairie	3599	3434 Veterans Memorial Blvd.	70002	504-252-4606	NOLA WINGS VETERANS, LLC
LA	New Orleans	3706	4150 General DeGaulle Drive	70131	504-283-3256	Nola Wings Algiers, LLC
LA	Shreveport	3315	7441 Youree Drive	71105	318-797-6332	WINGS FOUR LA, LLC
LA	Slidell	3100	815 Brownsitch Road	70458	985-639-3399	BAYOU WINGS, LLC
LA	West Monroe	3627	205 Constitution, Suite 4	71292	318-651-0080	R.C. MONROE GROUP, LLC
MA	Chicopee	3727	480 Memorial Drive	01020	413-331-5041	DOUG MILLER, LLC
MD	Bel Air	3473	5 Bel Air South Parkway, Suite P1649	21015	443-512-8220	PICK 6, LLC
MD	La Vale	3803	12107 Winchester Road	21502	240-362-7515	LA VALE WING COMPANY, LLC
MD	Salisbury	3673	2734 North Salisbury Blvd., Suite 5B	21801	443-736-7540	ELITE 8, LLC
ME	Auburn	3584	648 Turner Street #2	04210	207-689-3700	PICTOR ENTERPRISES VII, INC.
ME	Bangor	3588	461 Stillwater Avenue	04401	207-922-2500	PICTOR ENTERPRISES VI, INC.
ME	South Portland	3544	85 Western Avenue	04106	207-541-9464	PICTOR ENTERPRISES IV, INC.
ME	Topsham	3823	105 Topsham Fair Mall Road	04086	207-844-5800	PICTOR ENTERPRISES IX, INC.
MI	Adrian	3778	1225 East US 223	49221	517-577-6955	AMC ADRIAN, INC.
MI	Ann Arbor	3222	205 South State Street	48104	734-997-9143	WINGS ELEVEN, LLC
MI	Ann Arbor	3699	3150 Boardwalk Drive	48108	734-997-9464	WINGS TWENTY SIX, LLC
MI	Battle Creek	3565	5775 Beckley Road, Suite 655	49015	269-979-9464	BW BATTLE CREEK, LLC
MI	Bay City	3245	4050 Wilder Road	48706	989-671-3377	BW BAY CITY, LLC
MI	Big Rapids	3490	1264 Perry Avenue	49307	231-796-9464	WINGS EIGHTEEN, LLC
MI	Birch Run	3712	8811 East Birch Run Road	48415	989-244-6430	AMC BIRCH RUN, INC.
MI	Brighton	3310	9745 Village Place Blvd.	48116	810-227-2999	WINGS THIRTEEN, LLC
MI	Canton	3224	41980 Ford Road	48187	734-844-9464	WINGS TWELVE, LLC
MI	Chesterfield Township	3505	51346 Giant Avenue	48051	586-349-9464	AMC CHESTERFIELD, INC.

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State	City	#	Address	Zip	Phone	Entity
MI	Clinton Township	3179	15745 15 Mile Road	48035	586-293-9500	BEARCAT ENTERPRISES, INC.
MI	Coldwater	3437	704 East Chicago Street	49036	517-924-0770	COLDWATER WINGS, LLC
MI	Dearborn	3303	22216 Michigan Avenue	48124	313-359-1800	WING IT, INC.
MI	Detroit	3632	1218 Randolph Street	48226	313-961-9453	AMC DETROIT, INC.
MI	East Lansing	3019	360 Albert Avenue	48823	517-333-2999	WINGS FOUR, LLC
MI	Farmington Hills	3693	31205 Orchard Lake Road	48334	248-737-9464	WINGS TWENTY FIVE, LLC
MI	Fenton	3101	3190 Silver Lake Road	48430	810-629-0099	ANKER, INC.
MI	Flint	3441	G/3192 South Linden Road	48507	810-230-1299	AMC FLINT, INC.
MI	Gaylord	3682	2305 Snowdrift Drive	49735	989-705-1000	AMC BAGLEY, INC.
MI	Grand Blanc	3383	8251 Trillium Circle Avenue, Suite 102	48439	810-603-1299	AMC GRAND BLANC, INC.
MI	Grand Rapids	3118	2121 Celebration Drive NE #100	49525	616-364-2999	WING SIX, LLC
MI	Grand Rapids	3610	8 Ionia Avenue NW	49503	616-454-9464	WINGS TWENTY ONE, LLC
MI	Grand Rapids	3024	2035 28th Street South East	49508	616-241-2999	WINGS TWO, LLC
MI	Holland	3502	2899 West Shore Drive	49424	616-399-9461	WINGS NINETEEN, LLC
MI	Howell	3203	900 South Latson Road	48843	517-545-2100	RWJW, INC.
MI	Jackson	3840	1247 Boardman Road	49202	517-768-0440	BW JACKSON OPERATIONS, LLC
MI	Kalamazoo	3376	3209 Stadium Drive	49008	269-353-9464	Z-ROC CORPORATION
MI	Lake Orion	3204	770 North Lapeer Road	48362	248-814-8600	WINGS THREE, LLC
MI	Lansing	3567	718 Delta Commerce Drive	48917	517-886-9464	WINGS TWENTY TWO, LLC
MI	Lapeer	3660	700 South Main Street #101A	48446	810-667-7210	AMC LAPEER, INC.
MI	Livonia	3428	37651 6 Mile Road	48152	734-469-4400	WINGS SEVENTEEN, LLC
MI	Marquette	3508	2492 US Highway 41 West	49855	906-226-0699	AMC MARQUETTE, INC.
MI	Midland	3267	6728 Eastman Avenue	48642	989-633-9464	BW MIDLAND, LLC
MI	Monroe	3260	1766 North Telegraph Road	48162	734-240-2999	BW FRENCHTOWN OPERATIONS, LLC
MI	Mount Clemens	3143	48 Market Street	48043	586-469-0725	WINGS FIVE, LLC
MI	Mt. Pleasant	3049	1904 South Mission Street	48858	989-772-9464	J.C.K.W., LLC
MI	Muskegon	3165	5648 South Harvey Street	49444	231-799-2999	WINGS TEN, LLC
MI	Novi	3130	44375 Twelve Mile Road	48377	248-344-4019	TMA ENTERPRISES OF NOVI, INC.

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MI	Petoskey	3924	1965 Waabizhish Drive	49770	231-439-9153	Petoskey OpCo, LLC
MI	Port Huron	3442	4355 24th Avenue, Suite 1	48059	810-385-2730	AMC PORT HURON, INC.
MI	Rochester Hills	3410	1234 Walton Road	48307	248-651-3999	WINGS SIXTEEN, LLC
MI	Royal Oak	3761	500 South Main Street	48067	248-744-4470	AMC ROYAL OAK, INC.
MI	Saginaw	3521	2690 Tittabawasee Road	48604	989-401-5300	WINGS TWENTY, LLC
MI	Saint Clair Shore	3692	23117 Harper Road	48080	586-777-9464	WINGS TWENTY THREE, LLC
MI	Saint Joseph	3754	2939 Niles Avenue	49085	269-983-6200	ST. JOE WINGS, LLC
MI	Sault Saint Marie	3661	4536 I-75 Business Spur	49783	906-253-9570	AMC SAULT STE.MARIE, INC.
MI	Southgate	3152	13655 Eureka Drive	48195	734-281-2999	WINGS SEVEN, LLC
MI	Sterling Heights	3690	44833 Mound Road	48314	586-997-2999	FLYER ENTERPRISES, INC.
MI	Sturgis	3790	721 South Centerville Road	49091	269-503-7500	STURGIS WINGS, LLC
MI	Traverse City	3556	3480 South Airport Road, Suite A	49684	231-421-2417	AMC TRAVERSE CITY, INC.
MI	Troy	3407	1873 East Big Beaver Road	48083	248-743-1299	AMC TROY, INC.
MI	Walker	3155	3050 Alpine Avenue	49544	616-784-9464	WINGS EIGHT, LLC
MI	Warren	3312	29287 Mound Road	48092	586-573-9164	AMC WARREN, LLC
MI	Washington	3190	8669 26 Mile Road	48094	586-677-9932	WINGS NINE, LLC
MI	Waterford	3362	5223 Highland Road	48327	248-674-9464	WINGS FOURTEEN, LLC
MI	Westland	3110	6677 North Wayne Road	48185	734-641-4000	JWRW CORP.
MI	Woodhaven	3681	20990 West Road	48183	734-676-9464	WINGS TWENTY FOUR, LLC
MI	Wyoming	3314	2720 44th Street SW	49519	616-261-9464	WINGS FIFTEEN, LLC
MI	Ypsilanti	3378	216 James L. Hart Parkway, Unit 1	48197	734-480-7410	AWBW CORPORATION
MN	Bemidji	3684	225 Paul Bunyan Drive NW	56601	218-444-9464	NORTH WOODS WINGS, INC.
MN	Hutchinson	3535	1040 Highway 15 South	55350	320-234-9453	TWO JOES HUTCHINSON, INC.
MN	Mankato	3259	301 St. Andrews Drive	56001	507-385-9464	PRAIRIE PUBS, INC.
MN	Moorhead	3507	2201 1st Avenue North	56560	218-512-0400	W & P OF MOORHEAD, LLC
MN	Rochester	3845	793 16th Street, Suite A	55902	507-322-0501	ROCHESTER WINGS 2, LLC
MN	Rochester	3113	3458 55th Street NW	55901	507-536-0717	ROCHESTER WINGS, LLC
MN	St. Paul	3872	4300 Glumack Drive	55111	651-583-7813	PNH MSP BWW LLC
MO	Ballwin	3750	15425 Manchester Road, Suite 46	63011	636-207-9464	AMC BALLWIN, INC.
MO	Brentwood	3585	1210 Strassner Drive	63144	314-645-9464	AMC BRENTWOOD, INC.
MO	Cape Girardeau	3837	211 Siemers Drive	63701	573-334-9464	Cape Girardeau OpCo, LLC

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MO	Columbia	3523	505 East Nifong Blvd.	65203	573-441-2244	AMC COLUMBIA, INC.
MO	Creve Coeur	3219	12653 Olive Blvd.	63141	314-579-9464	AMC CREVE COEUR MISSOURI, INC.
MO	Farmington	3440	615 Maple Valley Drive	63640	573-756-9464	Farmington Patton OpCo, LLC
MO	Fenton	3283	150 Gravois Bluffs Circle	63026	636-326-5000	AMC FENTON MISSOURI, INC.
MO	Jefferson City	3443	707-B Stonebridge Parkway	65109	573-635-5600	AMC JEFFERSON CITY, INC.
MO	Joplin	3824	1525 South Rangeline Road	64804	417-206-9464	JOMO WINGS, LLC
MO	Kirkwood	3566	1244 South Kirkwood Road	63122	314-821-9464	AMC KIRKWOOD, INC.
MO	Lake Ozark	3708	200 Kestrel Lane	65049	573-693-1060	AMC LAKE OZARK, INC.
MO	O'Fallon	3656	2352 Highway K	63366	636-379-3994	AMC O'FALLON MISSOURI, INC.
MO	Poplar Bluff	3358	1429 Westwood Blvd.	63901	573-785-9464	Poplar Bluff OpCo, LLC
MO	Rolla	3700	1811 North Bishop	65401	573-341-0303	AMC ROLLA, INC.
MO	Saint Charles	3167	1465 Bass Pro Drive	63301	636-916-5353	AMC ST. CHARLES, INC.
MO	Saint Louis	3231	570 South County Centerway	63129	314-845-7878	AMC ST. LOUIS, INC.
MO	Saint Peters	3423	179 Mid Rivers Mall Drive, Suite C	63376	636-278-1771	AMC ST. PETERS, INC.
MO	Sikeston	3338	231 North Main	63801	573-481-2999	Sikeston OpCo, LLC
MO	Springfield	3216	900 East Battlefield Road	65807	417-881-9464	Patton Springfield OpCo, LLC
MO	St. Robert	3587	136 Old Route 66	65584	573-451-3030	St. Robert OpCo, LLC
MO	Wentzville	3390	1285 West Pierce Blvd.	63385	636-887-4895	AMC WENTZVILLE, INC.
MS	Columbus	3709	2001 Highway 45 North	39705	662-245-1171	Columbus OpCo, LLC
MS	D'iberville	3519	3850 Promenade Parkway	39540	228-396-9464	POTTER'S WINGS D'IBERVILLE, LLC
MS	Flowood	3820	766 MacKenzie Lane	39232	769-572-3242	POTTER'S WINGS FLOWOOD, LLC
MS	Gulfport	3788	15530 Daniel Blvd.	39503	228-236-9464	POTTER'S WINGS GULFPORT, LLC
MS	Hattiesburg	3136	3 Churchill Street	39402	601-288-7777	POTTER'S WINGS HATTIESBURG, LLC
MS	Laurel	3469	1826 Jefferson Street	39440	601-342-2951	PK ENTERPRISES, INC.
MS	Meridian	3528	114 Highway 11/80 East	39301	601-282-5363	PK WINGS, INC.
MS	Oxford	3630	2315 West Jackson Avenue	38655	662-238-2719	Oxford OpCo, LLC
MS	Ridgeland	3102	808 Lake Harbour Drive	39157	601-856-0789	POTTER'S WINGS, LLC
MS	Starkville	3580	703 Spring Street	39759	662-324-4490	Starkville OpCo, LLC
MS	Tupelo	3607	3485 Tupelo Commons	38804	662-840-0468	TUPELO OPCO, LLC
MT	Billings	3266	411 South 24 West	59102	406-294-9464	WINGS OF BILLINGS, LLC

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MT	Bozeman	3843	1783 North 19th Avenue	59718	406-922-9464	WINGS OF BOZEMAN, LLC
MT	Butte	3765	3745 Harrison Avenue	59701	406-494-9464	WINGS OF BUTTE, LLC
MT	Great Falls	3721	117 NW Bypass	59404	406-551-9464	WINGS OF GREAT FALLS, LLC
MT	Helena	3456	3190 North Sanders Street	59602	406-495-9464	WINGS OF HELENA, LLC
MT	Kalispell	3785	115 Hutton Ranch Road	59901	406-407-7500	WINGS OF KALISPELL, LLC
MT	Missoula	3589	2615 Radio Way	59808	406-829-9464	WINGS OF MISSOULA, LLC
NC	Greenville	3356	426-B East Arlington Blvd.	27858	252-758-9191	GREENVILLE WINGS, LLC
NC	Jacksonville	3533	4175 Western Blvd.	28546	910-378-7215	JACKSONVILLE WING COMPANY, LLC
NC	Morehead City	3488	5136 US Highway 70, Suite A	28557	252-727-9191	MOREHEAD WINGS, LLC
NC	New Bern	3644	3102 Dr. MLK Blvd., Suite 624	28562	252-635-9464	NEW BERN WINGS, LLC
NC	Porters Neck	3768	140 Hays Lane #B15	28411	910-821-0987	PORTERS NECK WING COMPANY, LLC
NC	Southern Pines	3719	1640 US Highway 1	28387	910-684-8005	SOUTHERN PINES WINGS, LLC
NC	Wilmington	3240	5533 Carolina Beach Road	28412	910-392-7224	CAROLINA BEACH WING COMPANY, LLC
NC	Wilmington	3532	206 Old Eastwood Road	28403	910-798-9464	EASTWOOD WING COMPANY, LLC
ND	Bismarck	3208	218 South 3rd Street	58504	701-323-9464	W & P OF BISMARCK, LLC
ND	Bismarck	3844	3420 North 14th Street	58503	701-751-2568	W & P OF BISMARCK, LLC
ND	Dickinson	3734	3545 West Ridge Drive	58601	701-761-2382	WINGS OF MINOT ND, LLC
ND	Fargo	3087	1515 19th Avenue North	58102	701-280-9464	W & P OF FARGO 19th, LLC
ND	Fargo	3188	1501 42nd Street SW	58103	701-356-9464	W & P OF FARGO 45th, LLC
ND	Grand Forks	3122	2717 Columbia Road South	58201	701-775-9464	W&P OF GRAND FORKS, LLC
ND	Minot	3422	3820 South Broadway	58701	701-838-9464	WINGS OF MINOT ND, LLC
ND	Williston	3624	417 Reiger Drive	58801	701-609-5445	WINGS OF MINOT ND, LLC
NH	Concord	3586	8 Loudon Road	03301	603-715-9340	WING FLAPS, LLC
NH	Manchester	3746	1500 South Willow Street	03103	603-836-3138	RICK MARTIN, LLC
NH	Nashua	3815	310 Daniel Webster Highway	03060	603-888-9464	VG WINGS, LLC
NH	Rochester	3628	160 Washington Street, Suite 103	03839	603-335-3455	PICTOR ENTERPRISES VIII, INC.
NJ	Brick	3616	2770 Hooper Avenue	08723	732-475-7645	MUNSON OF BRICK WINGS LLC
NJ	Bridgewater	3563	970 US-22	08807	908-704-9300	MUNSON OF BRIDGEWATER WINGS LLC
NJ	Eatontown	3489	180 Route 35 South #2004A	07724	732-542-9464	MONMOUTH BWW, LLC

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NJ	Flemington	3753	144 Route 31, Suite 100	08822	908-483-2300	MUNSON OF FLEMINGTON WINGS LLC
NJ	Linden	3731	1701 West Edgar Road	07036	908-474-0069	LINDEN BWW, LLC
NJ	Marlboro	3807	167 US 9 South	07751	732-334-6050	MARLBORO BWW, LLC
NJ	North Brunswick	3485	2241 Route 1 South	08902	732-297-9413	MUNSON OF NORTH BRUNSWICK WINGS LLC
NJ	Parsippany	3680	1540 US Highway 46 W	07054	973-588-5501	PARSIPPANY BWW, LLC
NJ	Princeton	3793	3465 US 1	08540	609-803-3323	MUNSON OF WEST WINDSOR WINGS LLC
NJ	Rockaway	3634	343 Mount Hope Avenue	07866	973-361-9464	ROCKAWAY BWW, LLC
NJ	Toms River	3669	2 Route 37 West, Unit C-4	08753	848-224-4107	MUNSON OF TOMS RIVER WINGS LLC
NJ	Watchung	3568	1599 US Highway 22 West	07069	908-222-9464	WATCHUNG BWW, LLC
NJ	Woodbridge Township	3730	625 US 1 South	08830	732-218-5385	WOODBRIIDGE BWW, LLC
NY	Brooklyn	3331	139 Flatbush Avenue	11217	718-943-9453	FOUR M FOOD SERVICE OF ATLANTIC TERMINAL, LLC
NY	Hicksville	3459	358 B Broadway Mall	11801	516-937-9453	FOUR M FOOD SERVICE OF HICKSVILLE, LLC
NY	Kingston	3860	1266 Ulster Avenue	12401	895-395-3265	BANTA BWW KG, LLC
NY	Middletown	3614	567 Route 211 East	10941	845-673-1062	BANTA BWW MDT, LLC
NY	Nanuet	3929	8141 Fashion Rd	10954	845-480-7344	FOUR M FOOD SERVICE OF NANUET, LLC
NY	New Rochelle	3278	33 LeCount Place	10801	914-637-9453	FOUR M FOOD SERVICE OF NEW ROC, LLC
NY	New York City	3483	JFK International Terminal 4, Room 471.005	11430	718-751-4769	SSP AMERICA, INC.
NY	Newburgh	3821	1407 Union Avenue	12550	845-762-5550	BANTA BWW NB, LLC
NY	Oneonta	3737	768 State Highway 28	13820	607-353-7770	BANTA BWW ON, LLC
NY	Plattsburg	3626	200 Consumer Square Mall	12901	518-310-3536	PB WINGS, LLC
NY	Staten Island	3652	1447 Richmond Avenue	10314	718-983-6912	MUNSON OF STATEN ISLAND WINGS LLC
NY	Valley Stream	3800	6 Green Acres Commons	11582	516-561-9453	FMFS OF VS, LLC
NY	Wappingers Falls	3651	1794 South Road	12590	845-218-9453	BANTA NINE MALLS, LLC
NY	Westbury	3617	737 Merrick Avenue	11590	516-794-9453	FOUR M FOOD SERVICE OF WESTBURY, LLC
NY	White Plains	3405	1 Mamaroneck Avenue	10601	914-385-9453	FOUR M FOOD SERVICE OF WHITE PLAINS, LLC
OH	Alliance	3757	320 W. State Street	44601	330-821-9464	WINGIT, LLC
OH	Ashland	3819	1830 East Main Street	44805	419-281-9464	ASHLAND WING COMPANY, LLC

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OH	Athens	3091	23 West Union	45701	740-594-9464	LANCASTER WINGS, INC.
OH	Aurora	3355	18865 Giles Road	44202	330-562-2150	AURORA WING COMPANY, LLC
OH	Austintown	3097	6000 Mahoning Avenue	44515	330-779-0201	HOT WING, LLC
OH	Avon Lake	3214	32914 Walker Road	44012	440-933-7325	WOOSTER WING COMPANY, LLC
OH	Boardman	3008	7401 Market Street #801	44512	330-726-1313	ECY, INC.
OH	Bowling Green	3615	1550 East Wooster	43402	419-353-2999	FALCON NEST, LLC
OH	Brooklyn	3714	5020 Tiedeman Road	44144	216-331-4572	BROOKLYN BWW, LLC
OH	Cambridge	3732	61333 Southgate Parkway	43725	740-421-9464	B.B. WINGS, LLC
OH	Canal Winchester	3170	6340 Prestiss School Street	43110	614-837-8080	LANCASTER WINGS, INC.
OH	Canton	3006	5062 Dressler Road NW	44718	330-491-2999	CANTON WING COMPANY, LLC
OH	Chillicothe	3162	1080 North Bridge Street	45601	740-779-9464	L.B. WINGS II, LLC
OH	Cincinnati	3074	2178 Anderson Ferry Road	45238	513-922-2999	WINGS R' US WEST, INC.
OH	Cleveland	3804	724 Prospect Avenue East	44115	216-291-7772	CLEVELAND WING COMPANY, LLC
OH	Cleveland Heights	3720	12459 Cedar Road	44106	216-371-3331	CLEVELAND HEIGHTS WING COMPANY, LLC
OH	Columbus	3391	968 West 5th Avenue	43212	614-298-9464	GRANDVIEW WING COMPANY, LLC
OH	Defiance	3186	1120 Hotel Drive	43512	419-784-9464	BISON RAPIDS INVESTMENTS, LLC
OH	Elyria	3086	239 Midway Blvd.	44035	440-324-5544	ELYRIA WING COMPANY, LLC
OH	Fairview Park	3445	3011 Westgate Mall	44126	440-331-9464	FAIRVIEW PARK BWW, LLC
OH	Findlay	3180	15080 Flag City Drive	45840	419-422-9464	FINDLAY WING COMPANY, LLC
OH	Fremont	3674	2200 Sean Drive, Suite L	43420	419-332-2999	WILLOW PRAIRIE, LLC
OH	Gallipolis	3640	215 Upper River Road	45631	740-446-7891	JARS I, INC.
OH	Greenville	3748	1485 Wagner Avenue	45331	937-459-4135	GREENVILLE WING COMPANY, LLC
OH	Harrison	3027	200 Biggs Blvd.	45030	513-202-9464	WINGS R' US HARRISON, INC.
OH	Heath	3029	603 Hebron Road	43056	740-522-2999	LANCASTER WINGS, INC.
OH	Hilliard	3114	1710 Hilliard Rome Road	43026	614-921-2999	HILLIARD WING COMPANY, LLC
OH	Ironton	3321	1001 Ironton Hills	45638	740-533-9299	JARS I, INC.
OH	Kent	3649	176 East Main Street	44240	330-678-9464	MABAM ENTERPRISES, INC.
OH	Lancaster	3036	1283 North Memorial Drive	43130	740-689-2533	LANCASTER WINGS, INC.
OH	Lima	3426	2948 Allentown Road	45805	419-991-2999	SCARLET & GRAY ENTERPRISES, LTD.
OH	Lyndhurst	3121	5433 Mayfield Road	44124	440-605-9464	LYNDHURST WING COMPANY, LLC
OH	Mason	3334	6050 Snider Road	45040	513-398-2999	WINGS R' US MASON, INC.

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OH	Massillon	3043	235 Lincoln Way West	44647	330-837-2999	MASSILLON WING COMPANY, LLC
OH	Maumee	3157	425 West Dussel Drive	43537	419-893-9464	ERIE BAY INVESTMENTS, INC.
OH	Medina	3044	5050 Eastpointe Drive	44256	330-764-9464	Medina Wing Company, LLC
OH	Mentor	3229	9566 Diamond Centre Drive	44060	440-352-2999	MENTOR WING COMPANY, LLC
OH	Mt. Vernon	3641	907 Coshocton Avenue	43050	740-392-9464	LANCASTER WINGS, INC.
OH	New Philadelphia	3747	1072 West High Avenue	44663	330-339-9464	LANCASTER WINGS, INC.
OH	Niles	3051	950 Great East Plaza	44446	330-505-2999	YASKO, INC.
OH	North Olmsted	3882	26774 Lorain Road	44070	440-454-8282	NORTH OLMSTED BWW, LLC
OH	Ontario	3723	949 North Lexington Springmill Road	44906	419-525-2933	ONTARIO WING COMPANY, LLC
OH	Oregon	3336	3555 Navarre Avenue	43616	419-691-9453	CHAWKAT, LLC
OH	Portsmouth	3223	1611 Chillicothe Street	45662	740-355-1299	JARS I, INC.
OH	Reynoldsburg	3606	2386 Taylor Square Drive	43068	614-860-9464	LANCASTER WINGS, INC.
OH	Saint Clairsville	3808	50725 Ohio Valley Place Access Road	43950	740-695-2800	FLYING S WINGS, INC.
OH	Sandusky	3332	814 Crossing Road	44870	419-624-9464	SANDUSKY WING COMPANY, LLC
OH	Sidney	3141	2080 Michigan Street	45365	937-492-2282	SIDNEY WING COMPANY, LLC
OH	Springfield	3450	1960 North Bechtle Avenue	45504	937-390-9464	SPRINGFIELD WING COMPANY, LLC
OH	St. Marys	3590	442 Fortman Drive	45885	419-300-8580	OHIO VALLEY INVESTORS, LLC
OH	Streetsboro	3171	9062 State Route 14	44241	330-626-1515	MABAM ENTERPRISES II, INC.
OH	Strongsville	3124	8465 Pearl Road	44136	440-243-9464	Strongsville Wing Company, LLC
OH	Tiffin	3787	100 South Shaffer Park Drive	44883	419-937-9464	LOMI ENTERPRISES, LLC
OH	Toledo	3202	6710 West Central Avenue	43617	419-843-2400	BOONE CREEK INVESTMENTS, LLC
OH	Troy	3081	2313 West Main Street	45373	937-440-9016	TROY WING COMPANY, LLC
OH	Warrensville Heights	3596	26200 Harvard Road	44122	216-896-9464	Warrensville Heights Wing Company, LLC
OH	Willoughby	3782	36455 Euclid Avenue	44094	440-527-8081	WILLOUGHBY WING COMPANY, LLC
OH	Wilmington	3153	143 Fairway Drive	45177	937-283-9464	WILMINGTON WING COMPANY, LLC
OH	Wooster	3150	4122 Burbank Road	44691	330-264-2299	WOOSTER WING COMPANY, LLC
OH	Zanesville	3598	1352 Brandywine Blvd.	43701	740-454-9464	L.B. WINGS, LLC
OK	Broken Arrow	3309	1151 North 20th Street	74012	918-286-3555	WINGIT, LLC
OK	Claremore	3646	2080 South Highway 66	74019	918-872-9453	CLAREMORE WINGS, LLC

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
OK	Del City	3420	5500 Tinker Diagonal	73115	405-677-9464	MID DEL WINGS, LLC
OK	East Edmond	3786	909 West I-35 Frontage Road	73034	405-285-0667	EAST EDMOND WINGS, LLC
OK	Enid	3393	2126 North Van Buren Avenue	73703	580-237-9453	ENID WINGS, LLC
OK	Lawton	3307	2506 NW Cache Road	73505	580-357-9464	WINGSPORT, LP
OK	Moore	3185	2601 South Service Road	73160	405-794-9647	WILD WEST WINGS, LLC
OK	Muskogee	3510	1130 West Shawnee Street	74401	918-682-9464	MUSKOGEE WINGS, LLC
OK	Norman	3643	3010 Classen Blvd.	73072	405-701-8254	NORMAN WINGS, LLC
OK	Oklahoma City	3361	6846 SW 3rd Street	73128	405-603-4688	I-40 WINGS, LLC
OK	Oklahoma City - NW Exp.	3098	4130 NW Expressway	73116	405-842-9464	OK WINGS, LLC
OK	Oklahoma City I-44	3835	9600 South I-44 Service Road	73159	405-759-2200	I-44 WINGS, LLC
OK	Owasso	3777	9263 North Owasso Expressway	74055	918-376-4911	OWASSO WINGS, LLC
OK	Shawnee	3501	4901 North Kickapoo Avenue #6705	74804	405-273-3473	SHAWNEE WINGS, LLC
OK	Stillwater	3262	1701 North Perkins Road	74075	405-533-2356	STILLWATER WINGS, LLC
OK	Tahlequah	3797	3388 Cherokee Springs	74464	918-414-9464	TAHLEQUAH WINGS, LLC
OK	Tulsa	3571	6222 East 41st Street	74135	918-398-7111	RWINGS ROC, LLC
OK	Tulsa	3439	7568 South Olympia Avenue	74132	918-445-9953	TULSA WINGS, LLC
OK	Yukon	3722	1765 Shedeck Parkway	73099	405-265-1944	YUKON WINGS, LLC
OR	Beaverton	3494	11995 SW Beaverton Hillsdale Highway	97005	503-352-9503	WINGMEN V, LLC
OR	Corvallis	3613	1820 NW 9th Street	97330	541-207-3066	WINGMEN V, LLC
OR	Hillsboro	3292	2219 NW Allie Avenue, Suite 1440	97124	503-645-9424	WINGMEN V, LLC
OR	Medford	3679	1700 Delta Waters Road	97504	541-973-2189	WINGMEN V, LLC
OR	Portland	3371	327 SW Morrison Street	97204	503-224-1309	WINGMEN V, LLC
OR	Portland	3409	9810 NE Cascades Parkway	97220	503-281-0351	WINGMEN V, LLC
OR	Salem	3619	3892 Center Street	97301	503-967-6049	WINGMEN V, LLC
OR	Springfield	3657	2770 Gateway Street	97477	541-393-6606	WINGMEN V, LLC
OR	Tualatin	3574	8505 SW Tualatin Sherwood Road	97062	503-486-5295	WINGMEN V, LLC
OR	Wood Village	3458	22849 NE Glisan Street	97060	503-328-9475	WINGMEN V, LLC
PA	Erie	3290	2099 Interchange Road	16509	814-868-9464	ERIE BW WINGS, INC.

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
SC	Myrtle Beach	3308	1990 Oakheart Road	29579	843-429-8081	MYRTLE WING COMPANY, LLC
SC	North Charleston	3387	4959 Centre Pointe Drive	29418	843-529-5394	SOUTH WING COMPANY, LLC
SC	North Myrtle Beach	3173	518 Highway 17 North	29582	843-281-9464	BEACH WINGS, LLC
SC	Summerville	3889	117 North Creek Drive	29486	843-851-9242	Cane Bay Wings, LLC
SD	Aberdeen	3861	3401 6th Avenue East	57401	605-262-0288	LAHAISE MANAGEMENT, LLC
SD	Brookings	3608	1801 6th Street	57006	605-592-9110	W & P OF BROOKINGS, LLC
SD	Rapid City	3500	715 Mountain View Road	57702	605-721-9464	BDUBS, LLC
SD	Sioux Falls	3550	2601 South Louise Avenue, Suite 100	57106	605-274-2382	W & P OF SIOUX FALLS, LLC
SD	Sioux Falls	3842	640 S. Highline Place	57110	605-271-2255	W & P OF SIOUX FALLS, LLC
SD	Watertown	3569	2708 9th Avenue SE	57201	605-878-3777	W & P OF WATERTOWN, LLC
TX	Abilene	3796	1010 East Overland Trail	79601	325-704-5480	WINGSPORT, LP
TX	Abilene	3164	4401 Ridgemont Drive	79606	325-695-9464	WINGSPORT, LP
TX	Amarillo	3323	5416 South Coulter	79119	806-359-4386	AMARILLO WILD WINGS, LTD.
TX	Amarillo	3448	9511 East I-40	79118	806-335-2204	EAST AMARILLO WINGS, LTD.
TX	Atascocita	3806	6840 FM 1960 East	77346	281-883-4874	UNITED RESTAURANT HOLDINGS, LLC
TX	Beaumont	3729	4235 Dowlen Road	77706	409-924-8646	R.C. RESTAURANT GROUP, LLC
TX	Brownwood	3703	511 West Commerce Street	76801	325-641-1400	WINGSPORT, LP
TX	DFW Airport	3883	2400 Aviation Drive	75261	972-973-2754	PHASENEXT HOSPITALITY, LLC
TX	El Paso	3545	1617 Pleasonton Road, Suite G-101	79906	915-566-2999	PNH/FT. BLISS BUFFALO WILD WINGS
TX	Houston	3396	7800 Airport Blvd., C-104	77061	713-643-1326	LA TRELLE'S CONCOURSE FOODS, LP
TX	Houston	3495	5805 Highway 6 North	77084	281-200-9464	UNITED RESTAURANT HOLDINGS, LLC
TX	Houston	3654	9435 Katy Freeway	77024	281-833-8300	UNITED RESTAURANT HOLDINGS, LLC
TX	Lubbock	3398	6320 West 19th Street	79407	806-785-9464	LUBBOCK WILD WINGS, LLC
TX	Lubbock	3149	8218 University Avenue	79423	806-745-5525	WESTEX WINGS MANAGEMENT, LLC
TX	Lubbock	3736	7638 82nd Street	79424	806-855-4992	WOLFFORTH WINGS, LTD.
TX	Midland	3271	5107 West Wadley	79707	432-694-9400	MIDLAND WINGS, LTD.
TX	Nacogdoches	3875	3521 North Street	75965		ASPIRE 2B HOSPITALITY - BWW, LLC
TX	Odessa	3215	4241 North Grandview Avenue	79762	432-366-9453	ODESSA WINGS, LTD.
TX	Pasadena	3148	5875 Fairmont Pkwy.	77505	281-487-0400	URH PASADENA, LLC
TX	Port Arthur	3385	8845 Memorial Blvd., Suite 100	77640	409-724-0046	R.C. PORT ARTHUR GROUP, LLC
TX	San Angelo	3218	4251 Sherwood Way	76901	325-223-9464	WINGSPORT, LP

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
TX	Sugar Land	3339	1401 Highway 6, Building B	77478	281-313-9464	UNITED RESTAURANT HOLDINGS, LLC
TX	The Woodlands	3107	19075 I-45 South, Suite 100	77385	936-273-7777	UNITED RESTAURANT HOLDINGS, LLC
TX	Webster	3206	528 West Bay Area Blvd., Suite 400	77598	281-338-9464	URH WEBSTER, LLC
TX	Wichita Falls	3851	3801 Call Field Road	76308	940-696-9464	WINGSPORT, LP
VA	Blacksburg	3853	460 Turner Street NW	24060	540-552-9464	BLACKSBURG WING COMPANY, LLC
VA	Charlottesville	3836	431 Gander Drive	22901	434-529-8615	BELLE ENTERPRISES I, INC.
VA	Chester	3675	12312 Bermuda Crossroads Lane	23831	804-318-9791	CHESTER WINGS, LLC
VA	Colonial Heights	3319	1156 Temple Avenue	23834	804-526-9464	COLONIAL WINGS, LLC
VA	Culpepper	3392	763 Nalles Mill Road	22701	540-827-1180	BELLE ENTERPRISES VII, INC.
VA	Danville	3284	3415 Riverside Drive	24541	434-797-9464	DANVILLE WINGS, LLC
VA	Farmville	3487	1403 South Main Street	23901	434-315-5522	FARMVILLE WINGS, LLC
VA	Fredericksburg	3138	1638 Card D. Silver Parkway	22401	540-548-8048	BELLE ENTERPRISES III, INC.
VA	Fredericksburg	3561	10107 Southpoint Parkway	22407	540-891-0870	BELLE ENTERPRISES VIII, INC.
VA	Glen Allen	3250	1090 Virginia Center Parkway	23059	804-553-9998	BELLE ENTERPRISES V, INC.
VA	Glen Allen	3417	4300 Pouncey Tract Road	23060	804-360-8888	SHORT PUMP WINGS, LLC
VA	Harrisonburg	3739	291 University Blvd., Unit A	22801	540-438-9790	ONE HORSE, LLC
VA	Lynchburg	3244	3812 Wards Road	24502	434-237-8111	LYNCHBURG WING COMPANY, LLC
VA	Mechanicsville	3381	7230 Bell Creek Road	23111	804-746-5025	MECHANICSVILLE WINGS, LLC
VA	Midlothian	3749	15700 WC Main Street	23113	804-594-6853	BELLE ENTERPRISES IX, INC.
VA	Midlothian	3277	12056 Southshore Pointe Drive	23112	804-739-9266	BELLE ENTERPRISES VI, INC.
VA	Richmond	3089	7801 West Broad Street, Suite 10	23294	804-672-8732	BELLE ENTERPRISES II, INC.
VA	Roanoke	3160	4335 Starkey Road	24018	540-725-9464	TANGLEWOOD WING COMPANY, LLC
VA	Roanoke	3275	4802 Valley View Blvd. NW	24012	540-366-9464	VALLEY VIEW WING COMPANY, LL C
VA	Waynesboro	3518	437A Tiffany Drive	22980	540-943-9464	ONE HORSE, LLC
VA	Winchester	3111	5 Weems Lane	22601	540-723-6900	ONE HORSE, LLC
VT	Burlington	3471	555 Shelburne Road	05401	802-489-5083	GALLUS, LLC
WA	Kennewick	3766	8551 West Gage Blvd.	99336	509-735-6892	WINGMEN V, LLC
WA	Union Gap	3741	2529 Main Street	98903	509-453-1215	WINGMEN V, LLC
WA	Vancouver	3513	7704 NE 5th Avenue	98665	360-597-3486	WINGMEN V, LLC
WV	Bridgeport	3380	45 Betten Court	26330	304-808-6453	BLUE RIDGE INVESTORS, INC.

**List of Franchisees
as of January 1, 2023**

State	City	#	Address	Zip	Phone	Entity
WV	Buckhannon	3711	4 Northridge Drive	26201	304-472-9464	DESERT HEAT, INC.
WV	Charleston	3465	2501 Mountaineer Blvd.	25309	304-744-0801	STONEWALL INVESTORS, INC.
WV	Cross Lanes	3479	70 Nitro Market Place Blvd.	25313	304-776-9180	BLUE WATER INVESTORS, INC.
WV	Huntington	3713	970 Mall Road	25504	304-733-0909	CHASE & GREEN CORP.
WV	Martinsburg	3335	796 Foxcroft Avenue, Suite 205	25401	304-264-9453	ONE HORSE, LLC
WV	Morgantown	3811	8735 University Town Center Drive	26501	304-554-2150	MORGANTOWN WING COMPANY, LLC
WV	Morgantown	3601	1099 Suncrest Town Center Drive	26505	304-598-3430	MOUNTAIN COUNTRY INVESTORS, INC.
WV	Moundsville	3400	6 Walmart Drive	26041	304-810-4079	FLYING BUFFALO, INC.
WV	Mt. Hope	3579	214 Cross Road Drive	25880	304-252-8712	MOUNTAIN RIDGE INVESTORS, INC.
WV	Parkersburg	3108	100 Lakeview Center	26101	304-422-9646	FLYING BUFFALO, INC.



**BUFFALO
WILD
WINGS®**

**Franchise Agreements Signed But Outlet Not Opened
as of January 1, 2023**

State	City	#	Address	Zip	Franchisee Entity
DE	Milford	3932	106 Silicato	19963	Pancake, Bobby
MI	Allen Park	3887	3100 Fairlane Drive	48101	Womac, James
NH	Portsmouth	3917	428 US Rte 1 Bypass	3801	Cole, Jason M.
OH	Perrysburg	3986	27476 Holiday Lane	43551	Mangas, Brad
OH	Boardman	3902	7401 Market Street	44512	Yaskowitz, Ed
OK	Bixby	3976	11402 S Memorial Drive	74008	Howard, Steve
TX	Houston	TBD	TBD	TBD	Mehra, Sanjay
TX	TBD	TBD	TBD	TBD	Olexa, Erwin Christopher



Developers as of January 1, 2023		
State(s)	Developer	Phone
AL, GA, LA, MO, TN	Ward, Kent	586-781-0591
AR, OK	Howard, Steve	405-745-6990
CA	Barnett, Edward	310-362-6214
CA	Dhanda, Benny	
CA, OR, WA	Hutchinson, Wray	360-694-7855
CA	Sitaram, Pinal J.	760-468-4154
DE	Pancake, Bobby	302-290-7518
FL	Fellows, George	917-957-6085
IN	Jones, Mike	336-226-3374
LA, TX	Olexa, Erwin Christopher	409-866-9897
MI	Womac, James	480-620-9345
NH	Cole, Jason M.	612-209-3583
OH, SC	Grube, Steven R.	419-783-8896
OH	Mangas, Brad	419-576-9589
OH	Yaskowitz, Ed	269-353-9464
TX	Mallet, Roz	972-624-1043
TX	Mehra, Sanjay	281-888-2439

EXHIBIT F

**LIST OF FORMER FRANCHISEES
AS OF JANUARY 1, 2023**



**BUFFALO
WILD
WINGS®**

Franchisees Who Had Outlets Cease To Operate Under Their Agreements

January 4, 2022 to December 31, 2022

Terminations, Non-Renewals, Ceased Operations - Other Reasons, Reacquired by Franchisor

Count	Franchisee	City	State	Phone
1	Bruno, James	Hot Springs	AR	219-789-2337
1	Barnett, Edward	Los Angeles	CA	310-362-6214
1	Ward, Kent	Belleville	IL	586-871-0591
1	Jones, Mike	Michigan City	IN	336-226-3374
1	Olexa, Erwin Christopher	Houma	LA	409-866-9897
2	Bruno, James	Lincoln	NE	219-789-2337
1	Mehiel, Michael/Dennis	West Nyack	NY	914-747-2552
1	Donham, Kevin	Richmond	VA	804-672-2355

Transfers of Outlet from Franchisees to New Owners (other than the Franchisor)

Count	Franchisee	City	State	Phone
1	Bruno, James	Bryant	AR	219-789-2337
3	Zellmer, Bill	Carbondale	IL	
1	Cole, Jason M.	Topsham	ME	612-209-3583
1	Bruno, James	Joplin	MO	219-789-2337
4	Zellmer, Bill	Sikeston	MO	
3	Smith, Roger	Starkville	MS	662-323-2132
6	Sullivan Jr., Steve	North Brunswick	NJ	732-917-7312
1	Sullivan Jr., Steve	Staten Island	NY	732-917-7312
4	Alderson, Larry D.	Wilmington	NC	910-392-9079
1	Andrews, Dick	Sandusky	OH	330-714-1240
2	Mayl, Tom	Troy	OH	937-307-4283
1	Grube, Steven R.	Myrtle Beach	SC	419-783-8896

Franchisees Who We Have Had No Communication within 10 Weeks of the Issuance Date

None

EXHIBIT G

FORM OF RELEASE AGREEMENT

FORM OF RELEASE AGREEMENT
(Subject to Change by Buffalo Wild Wings International, Inc.)

For and in consideration of the agreements and covenants described below, Buffalo Wild Wings International, Inc. ("BWW") and ("Franchisee") enter into this Release of Claims ("Agreement").

RECITALS

- A. BWW and Franchisee entered into a BUFFALO WILD WINGS® Franchise Agreement dated _____, _____.
- B. [NOTE: Describe the circumstances relating to the release.]
- C. Subject to and as addressed with greater specificity in the terms and conditions set forth below, BWW and Franchisee now desire to settle any and all disputes that may exist between them relating to the Franchise Agreement.

AGREEMENTS

1. **Consideration.** [NOTE: Describe the consideration paid.]
- 2-3. [NOTE: Detail other terms and conditions of the release.]
4. **Release of Claims by BWW. Release of Claims by BWW.** Except as noted in this Section 4, and subject to your compliance with the terms and conditions of this Agreement, including the payment of \$_____ to BWW, BWW, for itself, its predecessors, successors, assigns, affiliates, directors, officers, shareholders, and employees (collectively and individually referred to as the "Franchisor Parties"), hereby release and forever discharge Franchisee, its heirs, successors and assigns, affiliates, directors, officers and shareholders, and any other party claiming an interest through them (collectively and individually referred to as the "Franchisee Parties") from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which you may now or in the future own or hold, that in any way relate to the Franchise Agreement (collectively, "Claims"), for known or unknown damages or other losses including but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Franchise Agreement or any other related agreement between you and Franchisor or your affiliate and Franchisor.

The Franchisor Parties do not release the Franchisee Parties from any obligations arising by virtue of this Agreement and the Franchisee Parties' failure to comply with those obligations. Further, the Franchisor Parties do not release the Franchisee Parties from any Claims related to Franchisee's (i) indemnification obligations under Section ___ of the Franchise Agreement, (ii) non-disclosure obligations under Section ___ of the Franchise Agreement, and (iii) post-termination non-compete obligations under Section ___ of the Franchise Agreement, each of which remain in full force and effect and are incorporated by reference in this Agreement.

5. **Release of Claims by Franchisee.** In consideration of the other terms and conditions of this Agreement, the receipt and sufficiency of which is hereby acknowledged, the Franchisee Parties release and forever discharge the Franchisor Parties of and from any and all Claims, for known or unknown damages or other losses including but not limited to, any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or

regulations, and any alleged violations of the Franchise Agreement or any other related agreement between you and Franchisor or your affiliate and Franchisor.

The Franchisee Parties do not release the Franchisor Parties from any obligations arising by virtue of this Agreement and the Franchisor Parties' failure to comply with those obligations.

6. **Acknowledgment.** The releases of Claims set forth in Section 4 and Section 5 are intended by the Franchisor Parties and the Franchisee Parties (collectively, the "Parties") to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the one of the Parties against the other Party regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Parties acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Parties' respective intentions to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. This Release is and shall be and remain a full, complete and unconditional general release. The Parties further acknowledge and agree that no violation of this Agreement shall void the releases set forth in this Agreement.

7. **Reservation of Claims Against Non-Settling Parties.** Buffalo Wild Wings International, Inc. and Franchisee expressly reserve their right and claims against any non-settling persons, firms, corporations, or other entities for whatever portion or percentage their damages are found to be attributable to the wrongful conduct of said non-settling parties.

8. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties relative to the subject matter contained herein, and all prior understandings, representations and agreements made by and between the parties relative to the contents contained in this Agreement are merged into this Agreement.

9. **Voluntary Nature of Agreement.** The parties acknowledge and agree that they have entered into this Agreement voluntarily and without any coercion. The parties further represent that they have had the opportunity to consult with an attorney of their own choice, that they have read the terms of this Agreement, and that they fully understand and voluntarily accept the terms.

10. **Governing Law and Jurisdiction.** This Agreement will be construed and enforced in accordance with the law of the state of _____.

11. **Attorneys' Fees.** All rights and remedies under this Agreement shall be cumulative and none shall exclude any other right or remedy allowed by law. In the event of a breach of this Agreement that requires one of the parties to enforce the terms and conditions of this Agreement, the non-prevailing party shall pay the prevailing party's attorneys' fees and costs incurred by reason of the breach.

Dated: _____,20_

BUFFALO WILD WINGS INTERNATIONAL, INC.

By: _____
Its: _____

Dated: _____,20_

FRANCHISEE:

By: _____
Its: _____



STATE EFFECTIVE DATES PAGE AND RECEIPT PAGES

EXHIBIT H

STATE EFFECTIVE DATES PAGE AND RECEIPTS

State Effective Dates

The following states have franchise registration 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:

State	Effective Date
California	Pending (Exempt)
Hawaii	Pending
Illinois	Pending (Exempt)
Indiana	Pending
Maryland	Pending (Exempt)
Michigan	Pending
Minnesota	Pending
New York	Pending (Exempt)
North Dakota	Pending (Exempt)
Rhode Island	Pending (Exempt)
South Dakota	Pending
Virginia	Pending (Exempt)
Washington	Pending (Exempt)
Wisconsin	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.

Except as noted below, if Buffalo Wild Wings International, Inc. offers you a franchise, we must provide this Disclosure Document to you at the earlier of 14 calendar days before you sign a binding agreement or payment of consideration to us.

If Buffalo Wild Wings International, Inc. offers you a franchise in New York or Rhode Island, we must provide this Disclosure Document to you at the earlier of the first personal meeting or 10 business days before the signing of a binding agreement or payment of any consideration to us.

If Buffalo Wild Wings International, Inc. offers you a franchise in Michigan, Oregon, Washington or Wisconsin, we must provide this Disclosure Document to you at least 10 business days before the execution of any binding agreement or payment of any consideration to us, whichever comes first.

If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C., 20580 and the State Agency referred to in Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise:
_____, Three Glenlake Pkwy NE, Atlanta, Georgia 30328, 678-514-6928

Issuance Date: March 24, 2023

I received a Franchise Disclosure Document issued March 24, 2023. This Disclosure Document included the following Exhibits: A) List of State Agencies and Agents for Service of Process; B) Financial Statements; C) Franchise Agreement; C-1) Non-Traditional Rider to Franchise Agreement; D) Area Development Agreement; E) List of Sports Bar Locations; F) List of Former Franchisees; G) Form of Release Agreement; and H) State Effective Dates Page and Receipts.

Date: _____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Date: _____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Copy for Franchisee

RECEIPT

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Date: _____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Date: _____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone () _____ Zip _____

Copy for Buffalo Wild Wings International, Inc.