# FRANCHISE DISCLOSURE DOCUMENT

American Dairy Queen Corporation 8000 Tower, Suite 700 8331 Norman Center Drive Bloomington, Minnesota 55437



A Delaware Corporation

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**DQ® Treat Franchise**. American Dairy Queen Corporation ("ADQ") offers single unit franchises for the operation of DQ® Treat stores at authorized locations. A DQ® Treat store is a retail quick service food establishment from which you will sell trademarked Dairy Queen® soft-serve, treat products, and beverage menu items, and a limited number of approved food items.

The total investment necessary to begin operation of a single DQ® Treat franchise is \$548,100 - \$1,584,700. This includes the \$25,200 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.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "<u>Consumer Guide to Buying a Franchise</u>," 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 <u>www.ftc.gov</u> 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.

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# 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 his information from others, like current and former franchisees. You can find their names and contact information in Exhibit J.
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?	Exhibit L 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 DQ® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a DQ® franchisee?	Exhibits J and K 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

<u>Continuing responsibility to pay fees</u>. 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.

<u>Supplier restrictions</u>. 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.

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

**<u>Renewal</u>**. 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:

 <u>Out-of-State Dispute Resolution</u>. The franchise agreement requires you to resolve disputes with us by arbitration and/or litigation only in Minneapolis, Minnesota, or at such other place as may be mutually agreeable to the parties. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with us in Minneapolis, Minnesota 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 franchise 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 franchise 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.

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to the Department of Attorney General, Consumer Protection Division (Attention: Franchise), P.O. Box 30213, Lansing, Michigan 48909, telephone (517) 373-7117.

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State Specific Addenda - California, Illinois, Minnesota, North Dakota, Rhode Island, Texas, Virginia, Washington

# **EXHIBITS**

- A. List of State Administrators/Agents for Service of Process
- B. Operating Agreement with Undertaking and Guarantee, Ownership Addendum, Relocation Addendum, Renewal Addendum, and State Addenda Illinois, Minnesota, North Dakota, Washington
- C. Conversion Addenda
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- M. Receipts

# Item 1: The Franchisor, and any Parents, Predecessors, and Affiliates

To simplify the language in this franchise disclosure document ("disclosure document"), "ADQ" means American Dairy Queen Corporation, the franchisor. "You" means the person who buys the franchise. If the franchisee is a corporation, partnership or other entity, "you" may also mean its owners. Certain provisions of the franchise agreement apply to your owners and will be noted in this disclosure document.

ADQ is a Delaware corporation incorporated in 1962. ADQ's principal business address is 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437. ADQ has not had any predecessors during the 10-year period immediately before the close of its most recent fiscal year. ADQ does business under its corporate name and the trade names "Dairy Queen" and "DQ."

ADQ is a wholly-owned subsidiary of its parent corporation, International Dairy Queen, Inc. ("IDQ"), whose principal business address is the same as ADQ's. IDQ is a wholly-owned subsidiary of its parent corporation, Berkshire Hathaway, Inc., whose principal business address is 1440 Kiewit Plaza, Omaha, Nebraska 68131.

ADQ's affiliates that offer franchises in any line of business or provide products or services to franchisees are: Unified Supply Chain, Inc. ("USCI"); DQF, Inc. ("DQF"); DQGC, Inc. ("DQGC") and federal Canadian corporation Dairy Queen Canada Inc. ("DQC"). In addition, the following ADQ affiliate owns and operates DQ Grill & Chill® restaurants: DQ Training Restaurants, LLC ("DQTR"). The principal business address for USCI, DQF, DQGC and DQTR is the same as ADQ. The principal business address for DQC is 1111 International Boulevard, Suite 601, Burlington, Ontario, Canada L7L 6W1.

ADQ's agents for service of process are disclosed in Exhibit A of this disclosure document.

# **Description of the Franchises Being Offered**

ADQ offers franchises for the development of DQ® Treat stores. A DQ® Treat store is a quick service food establishment with indoor seating (and outdoor, in certain locations) from which you will sell the full line of approved DQ® soft-serve, treat, and beverage menu items, and a limited number of approved food items, and which will be operated under the DQ® and other marks that ADQ may designate (the "Trademarks").

ADQ offers DQ® Treat franchises for captive venue ("Captive-venue") locations, which are locations in shopping malls or centers (enclosed or open air, such as a lifestyle center) with a minimum of 500,000 square feet of gross leasable area, transportation terminals, hospitals, college and university facilities, parks and recreation areas, office buildings and other locations that cater to high volume walking traffic. Captive-venue locations will operate under the trade name DQ®/Orange Julius®. ADQ also offers DQ® Treat franchises for "Street" locations, which are defined as freestanding, streetscape or strip mall locations with less than 500,000 gross leasable area. Street locations will operate under the trade name DQ®/Dairy Queen®.

In connection with your authorized franchise, you will: (1) use ADQ's nationally recognized trademarks and service marks; (2) obtain access to the distinctive operational and management attributes of the Dairy Queen® system; (3) participate in many of ADQ's national and regional sales promotion programs, as well as any special programs ADQ establishes for DQ® Treat franchisees; and (4) receive the benefits of association with a nationally recognized franchise system, including various forms of training, opening and operational assistance (see Item 11).

#### Single Unit Franchise

The single unit DQ<sup>®</sup> Treat franchise is a license to operate a single DQ<sup>®</sup> Treat store at an authorized location under the terms of the operating agreement (also referred to as the franchise agreement) included in this disclosure document as Exhibit B.

ADQ may permit existing franchisees with a Street location to relocate their restaurants under ADQ's relocation policy. More details about the relocation policy are included Items 5, 6, 7 and 12. If you are a current franchisee of an existing DQ® Treat store and ADQ is permitting you to relocate your store under the relocation policy, you must sign the franchise agreement and the relocation addendum included in Exhibit B. The relocation policy is not applicable to Captive-venue locations.

If you are a current franchisee of an existing DQ® restaurant that has a contractual right to renew the existing franchise at the end of its initial term, and you meet ADQ's qualifying criteria for renewal, you will be required to sign the franchise agreement and the renewal addendum included in Exhibit B.

#### **Conversion Program**

If you operate an existing Dairy Queen® soft-serve-only or limited non-system food ("NSF") store, and meet all of ADQ's qualifying criteria, ADQ may allow you to convert your store to a DQ® Treat store by signing the franchise agreement and the applicable conversion addendum included in Exhibit C. The conversion addenda allow you to, among other things, carry over from your old agreement to the new agreement the protected territory and the continuing license fee for products made with soft-serve as an ingredient. Franchisees converting an existing Dairy Queen® soft-serve-only store or an NSF store to a DQ® Treat store are referred to as "conversion franchisees" and the locations are referred to as "conversions."

Dairy Queen<sup>®</sup> soft-serve-only stores are different from the DQ<sup>®</sup> Treat franchise currently offered by ADQ because they are under franchise agreements entered into over 30 years ago and have no rights to carry DQ<sup>®</sup> food items.

#### Market

Dairy Queen® products appeal to the general public, although certain products are targeted for particular customers. Your principal competition will be other quick service and fast casual food restaurants and specialty ice cream treat outlets, specialty fruit beverage (primarily smoothies), snack food, or treat establishments, including members of other regional and national chains and franchise systems. Sales of Dairy Queen® products may be seasonal in areas of the United States with cooler climates during part of the year. The market for quick service food restaurants,

specialty ice cream treat outlets, and specialty fruit beverage, snack food and treat establishments is well developed and highly competitive.

## Licenses and Permits

In addition to laws and regulations that apply to businesses generally, DQ® Treat stores are subject to various federal, state and local government regulations, including those relating to site location and building construction; privacy and data security; food and menu labeling; storage, preparation and sale of food and beverage products including packaging and certain ingredient restrictions (*e.g.*, those relating to trans fat); dairy and meat products; and health, sanitation and safety. ADQ strongly encourages you to investigate these regulations and other laws that may be applicable to your business before you purchase the franchise. It is your sole responsibility to abide by any applicable laws and regulations, and to obtain and keep in place all necessary licenses and permits.

### **Business of ADQ**

ADQ's business includes administering its franchise system, establishing and conducting sales promotion programs for DQ® products and providing various services to its franchisees (see Items 8 and 11). In addition, since ADQ's incorporation, ADQ has operated DQ® restaurants and stores on an interim basis. ADQ does not operate any company-owned DQ® Treat stores as of the date of this disclosure document, although, as explained further below, ADQ's affiliate, DQTR, owns and operates two DQ Grill & Chill® restaurants.

In addition to the franchise offered under this franchise disclosure document, ADQ offers franchises for other concepts through separate franchise disclosure documents:

- **DQ Grill & Chill**<sup>®</sup>. ADQ offers single and multiple unit franchises for the operation of DQ Grill & Chill<sup>®</sup> restaurants, which are quick service food restaurants with indoor seating (and outdoor, in certain locations) from which a franchisee sells the full line of approved softserve, treat, food and beverage menu items.
- Texas DQ® Restaurant. Due to historical factors unique to Texas, ADQ offers single and multiple unit franchises in Texas for DQ® restaurants with a food menu different than the DQ Grill & Chill® food menu, which is called "Texas Country Food." The DQ® restaurant multiple unit franchises permit a franchisee to establish and operate a specific number of DQ® restaurants at authorized locations in Texas within a specific geographic or trade area under separate franchise agreements for each restaurant.

In November 2021, ADQ's affiliate, Orange Julius of America (OJA), transferred and assigned all of its right, title and interest in and to its Orange Julius® and other trademarks, as well as all of its right, title and interest in and to the Orange Julius® franchise system and existing Orange Julius® franchise agreements, to ADQ. Since that time, ADQ's business has included administering the Orange Julius® franchise system, establishing and conducting sales promotion programs for Orange Julius® products, and providing various services to Orange Julius® franchisees. ADQ is not offering or issuing any new Orange Julius® franchises. OJA was dissolved in December 2021.

In the past ADQ issued standard and urban territory franchises in the United States, which are territory franchises that allow the territory operator to develop the Dairy Queen®/Brazier® (and now DQ Grill & Chill®) and Dairy Queen®/Limited Brazier® businesses within a defined geographical area ("territory") through subfranchising to third parties. ADQ occasionally acquires a territory operator's interest in various restaurant and store franchise agreements through negotiated acquisitions of territorial subfranchising rights. Also in the past, ADQ issued Dairy Queen® soft-serve-only franchises (a store featuring approved Dairy Queen® soft-serve treat products which may or may not sell non-system food), Dairy Queen®/Limited Brazier® franchises (a store featuring approved Dairy Queen®/Brazier® franchises (a restaurant featuring approved Dairy Queen® soft-serve treat products and a full menu of Brazier® food items), and Dairy Queen®/Fuel Center franchises (a franchise specifically offered for locations operated in conjunction with or adjacent to a fuel dispensing or travel business). For these franchises that ADQ no longer offers, there may be existing franchises that were granted licenses under these franchise programs (including territory operators who continue to subfranchise).

#### ADQ's Affiliates

IDQ's business includes the limited sale of products (see Item 8) to the various franchise systems that its subsidiaries operate. DQF provides various services to franchisees, including the financing services described in Item 10. USCI acts as the "supply chain entity" and sources certain products and equipment (see Item 8) to the various franchise systems that IDQ's subsidiaries operate. DQGC provides gift card services to franchisees. IDQ, DQF, USCI and DQGC do not and have not issued franchises or conducted a company-operated DQ® Treat store.

DQTR owns and operates two DQ Grill & Chill<sup>®</sup> restaurants in Minnesota, one of which serves as a training facility for ADQ personnel and franchisees. DQTR has conducted the DQ<sup>®</sup> business since June 2003. DQTR has entered into agreements with ADQ substantially similar to the form franchise agreement in place at the time for other franchised locations. DQTR does not and has not issued franchises in any line of business.

ADQ has offered a number of international franchise programs over the years under the DQ®, Dairy Queen®, and DQ Grill & Chill® trademarks, including an international territory program, an international multiple unit development program and an international store program.

DQC has conducted the Dairy Queen® business and issued various DQ® franchises in Canada since 1953. DQC holds exclusive area franchising rights in Canada through licensing agreements with ADQ, under which DQC exercises exclusive rights to license the registered trade name and DQ® trademark and certain other trademarks owned by ADQ. DQC issues franchises for DQ Grill & Chill® restaurants, and DQ® Treat locations. While DQC no longer offers Dairy Queen®/Brazier®, Dairy Queen®/Limited Brazier® stores and Dairy Queen® soft-serve-only franchises, there may be existing franchised locations of these types.

The following table summarizes the franchises issued by ADQ and its affiliates that were operating as of December 31, 2022. Taking into account all the various franchise programs, the DQ® system includes over 7,240 DQ® restaurants and stores on a global basis.

Company	Franchise Program	Period Franchises Offered	Number of Franchises operating as of 12/31/22
ADQ	DQ Grill & Chill®	1962 – Present	1,965 <sup>(1)</sup>
	DQ® Treat	1962 – Present	789 <sup>(2)</sup>
	Dairy Queen®/Fuel Center	1990 – 1998	3
	Brazier® Food Service Addendum	1982 – Present	15 <sup>(3)</sup>
	Texas DQ® Restaurant	1980 – Present	585
	Standard Territory	1962 - 1981	10 <sup>(4)</sup>
	Urban Territory	1984 – 1993	1(4)
	International Franchise Locations (outside the U.S. and Canada)	1971 – Present	2,269
	Orange Julius®	1963 – Present	12
	International Franchise Locations (outside the U.S. and Canada)	1999 – Present	0
DQC	DQ Grill & Chill®	1963 – Present	482 <sup>(5)</sup>
	DQ® Treat	1973 – Present	195(6)
	Orange Julius®	1977 – Present	15

- (1) Included in the total for DQ Grill & Chill® are 1,901 DQ Grill & Chill® restaurants and 64 Dairy Queen®/Brazier® restaurants. As the systems, menus and products for these two concepts has evolved, the distinction between them has diminished.
- (2) Included in the total for DQ® Treat are 334 Dairy Queen®/Limited Brazier® stores, 194 DQ® Treat stores, and 261 Dairy Queen® Soft-Serve-Only stores. As the systems, menus and products for these concepts has evolved, the distinction between them has diminished.
- (3) Territory operators that have a signed Brazier® food service addendum to their territory agreements are authorized to offer approved food products under the Brazier®, DQ Grill & Chill® and other related trademarks.
- (4) In addition to territory operators who were granted standard territory or urban territory franchises, other territory operators conduct the Dairy Queen®, Dairy Queen®/Brazier® or DQ Grill & Chill® business under older forms of franchise agreement, many of which were issued more than 30 years ago.

- (5) Included in the total for DQ Grill & Chill® are 480 DQ Grill & Chill® restaurants and 2 Dairy Queen®/Brazier® restaurants. As the systems, menus and products for these two concepts has evolved, the distinction between them has diminished.
- (6) Included in the total for DQ® Treat are 40 Dairy Queen®/Limited Brazier® stores, 104 DQ® Treat stores, and 51 Dairy Queen® Soft-Serve-Only stores. As the systems, menus and products for these concepts has evolved, the distinction between them has diminished.

#### Item 2: Business Experience

The following are the directors, principal officers and other individuals who will have management responsibility relating to the sale or operation of franchises offered under this disclosure document, and the principal positions and employers for each during the last five years.

### Director, Chief Executive Officer and President: Troy A. Bader

Troy Bader has been a Director of ADQ since March 2008 and has been Chief Executive officer and President of ADQ since January 1, 2018. He served as ADQ's Chief Operating Officer – U.S. & Canada from January 2016 to December 2017 and Chief Operating Officer – U.S. from November 2011 to December 2015. ADQ and its affiliates have employed Mr. Bader in various other management positions since 2001, including as Chief Development and Legal Officer from January 2008 to October 2011.

### Director, Executive Vice President, General Counsel, and Secretary: Shelly O'Callaghan

Shelly O'Callaghan has been a Director, Executive Vice President, General Counsel, and Secretary of ADQ since November 2011. ADQ has employed Ms. O'Callaghan in various management positions since 2010, including as Vice President and Assistant General Counsel from January 2010 to October 2011.

## Director, Chief Operating Officer, US and Canada: Daniel J. Kropp

Daniel Kropp has been a Director, Chief Operating Officer, US and Canada since August 1, 2020. He served as Director, Chief Operating Officer, US between January 1, 2018 and July 31, 2020. From November 2011 through December 31, 2017, Mr. Kropp served as Executive Vice President - U.S. Operations. ADQ has employed Mr. Kropp in various other positions since 1996, including as Executive Vice President - Franchise Operations (East) from January 2010 to October 2011.

#### Executive Vice President, Marketing, U.S. and Canada: Maria Hokanson

Maria Hokanson has been Executive Vice President, Marketing, U.S. and Canada since August 1, 2020. She served as Executive Vice President, Marketing, U.S. between August 1, 2017 and July 31, 2020. Between November 2004 and July 2017, Maria held several roles within the marketing department for ADQ, including Vice President of Product and Brand Marketing (2015-17), Sr. Director of Product & Brand Marketing (2013-2014), Director of Marketing (2010-2013), Sr Manager (2008-2013) and Manager (2004-2008).

### **Executive Vice President of USCI: W. Scott Muyres**

Scott Muyres has been Executive Vice President of USCI since January 2015. USCI or IDQ have employed Mr. Muyres in various positions since 1998, including as Vice President – Purchasing of USCI from May 2010 to December 2014.

#### **Executive Vice President, Finance, and Accounting: Jeff Grund**

Jeff Grund has been Executive Vice President, Finance, and Accounting since March 2023. He served as Vice President, Corporate Controller for ADQ from September 2019 through February 2023. Prior to joining ADQ, Mr. Grund served as the Chief Financial Officer for Omni Workspace from October 2018 to September 2019; as an independent consultant from May 2018 to September 2018; and as North American Controller for Pentair from 2009 to 2018.

### Executive Vice President, Franchise Development: James P. Kerr

James Kerr has been Executive Vice President, Franchise Development of ADQ since December 2016. ADQ has employed Mr. Kerr since August 2008, including as Vice President – Franchise Development from August 2008 to December 2016. He will be retiring from ADQ on June 30, 2023.

#### **Executive Vice President, Information Technology: Kevin Baartman**

Kevin Baartman has been Executive Vice President, Information Technology since July 27, 2020. He served as Vice President - Information Technology between April 29, 2019 and July 26, 2020. From September 2001 to April 2019, he worked for Lund Food Holdings, Inc. as the Vice President, Information Services leading the Information Technology team and E-commerce Operations.

#### Vice President of Concept Support Services: Jolynn Fielder

Jolynn Fielder has been Vice President of Concept Support Services since May 2021. She served as Vice President of U.S. Franchise Operations, West from February 2017 through April 2021. ADQ has employed Ms. Fielder in various other positions since 1997, including as Area Vice President for the East Great Lakes area from July 2013 to February 2017 and as Director of PRIDE Check Consulting from February 2007 to June 2013.

#### Vice President of U.S. Franchise Operations, West: Roger C. Brewin

Roger Brewin has been Vice President of U.S. Franchise Operations, West since May 2021. He served as Vice President of U.S. Franchise Operations, East from July 2018 through April 2021 and Vice President of Concept Support Services from October 2015 through June 2018. ADQ has employed Mr. Brewin in various other positions since 2005 including as Area Vice President of Operations – Western Hemisphere from January 2012 to September 2015; Director of Concept Support Services from March 2007 to December 2011; and Business Consultant from June 2005 to February 2007.

#### Vice President of U.S. Franchise Operations, East: David Giacone

David Giacone has been Vice President of U.S. Franchise Operations, East since May 2021. He served as Vice President of Concept Support Services from July 2018 through April 2021. Mr. Giacone was employed as Director of Operations for the Texas Region from February 2017 through June 2018 and Director of Development Operations from 2013 to 2017. From 2011 to

2013, Mr. Giacone was Director of Operations for Fourteen Foods, Inc., a multi-unit franchisee of ADQ. From 2000 to 2011, Mr. Giacone held various field operation positions with ADQ.

### Director of National Franchise Sales and Development, U.S. and Canada: Jennifer Rude

Jennifer Rude has been Director of National Franchise Sales and Development in the U.S. and Canada since February 2023. She served as a national franchise sales and development manager in the U.S. from November 2021 through January 2023, and as a franchise developer from July 16, 2014 through November 2021. ADQ has employed Ms. Rude in various other franchise development positions since 2006.

# Item 3: Litigation

# **Pending Cases**

<u>Oakland Family Restaurants, Inc. and Lake Area Restaurants, Inc. v. American Dairy Queen</u> <u>Corporation</u> (United States District Court, Eastern District of Michigan, Southern Division, #2:21cv-12539-TGB-EAS, filed October 28, 2021). Plaintiffs, Dairy Queen® franchisees, have initiated this litigation seeking a declaratory judgment that ADQ must allow them to divide their respective territories and assign their existing 1965 agreement to multiple transferees, each for a separate portion of their territory, rather than requiring each transferee to sign ADQ's current form of franchise agreement. Additionally, Plaintiffs are claiming breach of contract resulting in monetary damages, promissory estoppel, attorney's fees and costs. ADQ has denied the claims. Discovery is ongoing.

LG2, LLC v. American Dairy Queen Corporation (United States District Court, District of Minnesota, #0:22-cv-01044, filed April 26, 2022). Plaintiff, a DQ franchisee, initiated this litigation seeking compensatory damages and a declaratory judgment that ADQ must allow Plaintiff to relocate its DQ business without being required to obtain ADQ's permission, sign ADQ's current form of franchise agreement, or change its menu. ADQ's system standards do not allow for the development of new, or relocation of, restaurants with Plaintiff's non-system food menu. Plaintiff alleges breach of contract and the implied covenant of good faith and faith dealing, and violation of the Minnesota Franchise Act. Additionally, Plaintiff is seeking injunctive relief, interest, attorney's fees and costs. In January 2023, the Court granted ADQ's motion to dismiss Plaintiff's claims under the Minnesota Franchise Act but denied ADQ's Motion to Transfer Venue. In response, Plaintiff filed a Motion for Leave to File First Amended Complaint, which is pending. ADQ denies the claims and will continue to vigorously defend itself.

D.Q.S.A., LLC dba Dairy Queen of Southern Arizona v. American Dairy Queen Corporation (United States District Court, District of Arizona, No: CV-22-00335-JGZ, filed July 29, 2022). Territory Operator D.Q.S.A commenced this action to enjoin ADQ from requiring it to enforce the purchase and installation of the Integrated Technology Platform (ITP), ADQ's required EPOS system, with its sub-franchisees. D.Q.S.A. claims that this requirement can only be enforced against the sub-franchisees in certain circumstances, such as a modernization of the restaurant, which is required every 10 years. D.Q.S.A. seeks a declaratory judgment stating that the relevant territory agreements and sublicense agreements only mandate installation of new equipment, including ITP, upon the earlier of the 10-year remodel, renewal of the sub-franchise, or transfer of the sub-franchised location. D.Q.S.A. also seeks an injunction enjoining ADQ from taking action

against D.Q.S.A. relative to the enforcement of the ITP requirements. ADQ disputes these allegations, denies that the relevant contracts do not allow enforcement of the ITP requirements, and intends to vigorously defend against the claims. The parties have filed cross-motions for summary judgment. ADQ will continue to vigorously defend against the claims.

## **Concluded Cases**

Richard J and Kazuko Kunz, Bruce D. and Patricia J. Lahm vs. American Dairy Queen Corporation and International Dairy Queen, Inc. (State of Minnesota District Court, Hennepin County, Fourth Judicial District, #27-CV-13-922, filed January 15, 2013). The plaintiffs initiated this action claiming that ADQ improperly increased or "flexed" franchisees sales promotion fees to levels greater than what was permitted under the franchisees' franchise agreements. The named-plaintiffs in the action were seeking class certification on behalf of themselves and other similarly-situated franchisees along with: (1) a declaratory judgment that ADQ does not have the right to flex the franchisees' sales promotion fee payments; (2) an order enjoining ADQ from, in the future, flexing the franchisees' sales promotion fee payments in a manner that is not expressly permitted by the applicable franchise agreements; (3) a judgment for damages that the franchisees have suffered as a result of ADQ flexing the franchisees' sales promotion fee payments; and (4) costs, disbursements, and reasonable attorney's fees. ADQ and IDQ filed an answer denying plaintiffs' claims and opposing class certification. Among other things, ADQ and IDQ asserted that they expended all sales promotion fees for their intended purpose, namely, sales promotion activities in the franchisees' Designated Marketing Area ("DMA") and that all of the "flexed" sales promotion fees were allocated to the marketing budget for the franchisees' respective DMAs and expended at the DMA level in accordance with the DMAs' marketing plans for each marketing year. In or about November 2013, the parties reached a settlement agreement under which ADQ agreed to reimburse plaintiffs the amount of their "flexed" sales promotion fees for the period January 1, 2006 through December 31, 2010. As part of the settlement, ADQ is entitled to recover the amounts it reimbursed the plaintiffs from future sales promotion fees paid by them.

Timothy A. and Amy Lefevre, Dairy Queen of Bainbridge, Jerry Chabrian, Lavern Engelman, Ken Fugett, Thomas and Karyl Cleary, Thomas E. Klein and MAR-KA, Inc. vs. American Dairy Queen Corporation and International Dairy Queen, Inc. (American Arbitration Association, No. 002-8DF-9JF, filed January 15, 2013). The plaintiffs initiated this arbitration claiming that ADQ improperly increased or "flexed" franchisees' sales promotion fees to levels greater than what was permitted under the franchisees' franchise agreements. The plaintiffs in the action sought class certification on behalf of themselves and other similarly-situated franchisees. Plaintiffs also included claims for breach of contract and the implied covenant of good faith and fair dealing, conversion, and violations of the Minnesota Franchise Act and sought declaratory and injunctive relief, and damages and legal costs. On or about September 10, 2014, the parties reached a settlement agreement under which ADQ agreed to reimburse any franchisees that were incorrectly flexed the amount of their "flexed" sales promotion fees for an agreed upon number of years. As part of the settlement, ADQ is entitled to recover the amounts it reimbursed the franchisees from future sales promotion fees paid by them. ADQ also agreed to allow the Dairy Queen Operators Association, at its own expense, to audit ADQ's flexing decisions for the next 5 years.

<u>Rodney Johnson and Food Ventures, Inc. vs. American Dairy Queen Corporation</u> (American Arbitration Association, No. 01-16-0005-3571, filed December 9, 2016). Claimants, a DQ Grill & Chill franchisee and its owner, initiated this arbitration claiming that ADQ unlawfully encroached upon their franchise by franchising another DQ Grill & Chill restaurant in what they allege is too close a proximity to their restaurant. Claimants alleged that the encroachment caused a decline in their restaurant's sales and profitability. They claimed that ADQ's actions violated the Washington Franchise Investment Protection Act and the Washington Consumer Protection Act and alleged breach of contract, breach of the implied covenant of good faith and tortious interference with business expectancy. On August 5, 2017, the parties entered into a settlement agreement under which claimants are allowed to pay ADQ a reduced royalty fee and advertising fee for set periods and avoid the modernization requirement for the next transfer of the franchise since the restaurant recently had been remodeled to current image. ADQ also paid claimants \$25,000.

American Dairy Queen Corporation. vs. Universal Investment Corporation *f/k/a Neos Corporation* (United States District Court, Western District of Wisconsin, No: 16-cv-323, filed May 16, 2016). ADQ commenced this action against the defendant franchisee seeking a declaratory judgment that ADQ properly terminated defendant's franchise agreement after defendant failed to comply with numerous contractual requirements and then failed to timely cure its defaults of the franchise agreement after notice from ADQ. ADQ also sought injunctive relief and damages under the Lanham Act for defendant's infringement of ADQ's trademarks. Defendant counterclaimed against ADQ alleging claims for violation of the Wisconsin Fair Dealership Law, tortious interference with contract, and several counts of intentional breach of contract. On August 25, 2017, the court granted ADQ's motion for partial summary judgment and dismissed defendants claim for tortious interference. The parties settled the remaining claims on December 11, 2017 with defendant agreeing to relinquish any remaining rights he may have to use ADQ's trademarks and systems under, and to the termination of, his franchise agreement and the territory agreements for four territories in Iowa in exchange for a mutual release of claims and a payment of \$425,000 from ADQ.

<u>M & M Petroleum Too, Inc. vs. American Dairy Queen Corporation (American Arbitration Association</u>, #01-19-0003-3181, filed October 18, 2019). ADQ terminated Petitioner's franchise rights effective October 21, 2019 for failure to submit accounts receivable balances, store monthly reports and fees and other documents contractually required under the Operating Agreement to be submitted to ADQ. Petitioner alleged wrongful termination and requested a stay of the termination pending a determination of Petitioner's rights under the Operating Agreement. Petitioner also claimed damages for breach of contract and attorneys' fees. ADQ denied Petitioner's claims and counterclaimed for breaches of the operating agreement. The parties reached a settlement on March 12, 2020 under which they agreed to terminate the operating agreement effective April 15, 2020 and both parties agreed to waive their claims for damages, including ADQ's claims for any unpaid fees owed by Petitioner.

<u>White Enterprise, Inc. vs. American Dairy Queen Corporation (American Arbitration Association, Case No. 01-20-0000-3584, filed January 30, 2020)</u>. Claimant commenced this action January 30, 2020 alleging a breach of contract and implied covenant of good faith and fair dealing. In addition, Claimant seeks a declaratory judgment requiring ADQ to provide Claimant with the full benefits of ADQ's sales promotion program including point-of-sale and other store-level materials without the requirement of pledging to the higher national marketing fund commitment level. The parties reached a settlement on May 15, 2020 under which they agreed that, effective January 1, 2021, Claimant shall pay to ADQ a sales promotion fee of 2.5% of gross sales and ADQ shall provide Claimant with the full benefits available under the National Marketing Fund ("NMF") or any equivalent marketing program ADQ may make available to U.S. franchisees in the future.

### **Actions Involving the Franchise Relationship**

In the fiscal year ended December 31, 2022, ADQ or its affiliates were parties to the following actions involving the franchise relationship:

No litigation is required to be disclosed in this Item.

# Item 4: Bankruptcy

No bankruptcy is required to be disclosed in this Item.

# Item 5: Initial Fees

# **Initial Franchise Fee**

You must pay ADQ a \$25,000 initial franchise fee for a single franchise. The franchise fee is due when you submit a franchise application, which is included in this disclosure document as Exhibit D. You do not pay an initial franchise fee if you are a conversion franchisee, an existing franchisee relocating a restaurant under ADQ's relocation policy, or an existing Orange Julius® franchisee converting an Orange Julius® location to a DQ® Treat location.

The initial franchise fee is refundable in full without interest only if ADQ does not approve your application or you submit written notification to ADQ to cancel your application prior to ADQ's final approval. The initial franchise fee is refundable in the following instances, minus a cancellation fee of the greater of \$5,000 or ADQ's expenses: (1) if you withdraw your application after ADQ has approved it; (2) if your required training attendees fail to successfully complete the training program and your approval is cancelled (see Item 11 for information on required training attendees); (3) if your site is not designated and ADQ does not consent to the site within 90 days after the date ADQ approves your application; (4) if you have not commenced construction within 180 days from the franchise agreement effective date; or (5) if you have signed the sublease and ADQ or its affiliate and the landlord are unable to agree to a prime lease. In these instances, ADQ has the right to cancel any agreements that have been signed with ADQ without opportunity to cure.

ADQ may charge a reduced, non-refundable initial franchise fee in certain situations, including: (1) when a franchise is opening a franchise in a previously closed location; (2) certain Captive-

venue locations, including those in airports, colleges and universities, and with certain national food service operators specializing in providing food service in these types of locations; and (3) for operators with multiple DQ® locations who have developed one or more new franchises with ADQ in the past five years, who have an ADQ certified multi-unit operator training program, and have a full time construction supervisor on staff.

Neither ADQ nor its affiliates finance any part of an initial franchise fee.

# Other Fees and Payments Made to ADQ or Its Affiliates Prior to Opening

You must pay ADQ a fee of \$200 for each training attendee to take the management training readiness assessment ("MTRA") and an additional \$200 for each retake or repeat of the assessment. Therefore, the amount ADQ receives for your 1 required training attendee to take the MTRA is \$200, or more depending on the number of times a person attends and how many additional people attend the MTRA. See Items 7 and 11 for details on the MTRA.

In certain circumstances, you may be required to pay other fees or amounts to ADQ or its affiliates prior to opening. If you pay a reduced or no initial franchise fee, you may be required to pay ADQ fees that otherwise are included in the initial franchise fee, such as training fees, a design intent plans fee, a construction consultation fee and opening services fees. See Item 7 for details.

# Item 6: Other Fees

Type of Fee	Amount <sup>(1)</sup>	Due Date <sup>(7)</sup>	Remarks
Continuing License Fee	5% of Gross Sales Conversions, relocations and renewals see footnote <sup>(2)</sup>	On or before the 10 <sup>th</sup> day of each month for the previous month	"Gross Sales" means the total revenues and receipts from the sale of all products sold by your store, whether paid for by cash, credit, gift card or otherwise, including sales of all products under any of the Trademarks as well as sales of other products, services and merchandise, whether or not identified by other brand names, and excluding sales taxes and revenues and receipts arising directly from the sale of gift cards. ADQ may reduce the continuing license fee for specialty Captive-venue locations that charge admission or ticket for entrance, such as airports and sports stadiums.

# **OTHER FEES**

Type of Fee	Amount <sup>(1)</sup>	Due Date <sup>(7)</sup>	Remarks
Sales Promotion Program Fee	Up to 6% of Gross Sales of Orange Julius® branded products 5% - 6% of Gross Sales of all other products Conversions and relocations see footnote (3)	On or before the 10 <sup>th</sup> day of each month for the previous month <sup>(7)</sup>	Currently, the sales promotion program fee for Orange Julius® branded products is 5% for Street locations and 1.25% for Captive- venue locations. ADQ has the right to determine the percentage you must pay within the ranges, without regard to the sales promotion program fees paid by other DQ® restaurants and stores. ADQ will let you know at least 90 days in advance of any fee adjustment. ADQ may reduce the sales promotion program fee for specialty Captive-venue locations that charge admission or ticket for entrance, such as airports and sports stadiums.
Operational Program Fees	Will vary under circumstances	When due	You must pay fees for any costs associated with administering programs established by ADQ in connection with operational programs and initiatives implemented generally for the DQ® system.
Lease-Required Sales Promotion Fees	Will vary under circumstances	When due	In addition to the sales promotion program fees above, you must pay all sales promotion fees and comply with all sales promotion requirements required by your lease or sublease. If you are a sublessee of ADQ or one of its affiliates, you must pay to ADQ or its affiliate any additional amounts necessary to meet all lease requirements.
Transfer Fee (for franchise agreement)	\$5,500	When you submit transfer application	Effective January 1, 2025, and each 5 years thereafter, the transfer fee increases by \$500. If ADQ refuses to consent to your proposed transfer or exercises its right of first refusal, ADQ will return the transfer fee, less any actual expenditures or disbursements that ADQ makes in direct connection with processing the proposed transfer.
Renewal Fee (for franchise agreement)	\$1,000 times number of years under renewal term (but not to exceed \$10,000)	At time of renewal	Any partial year of the renewal term will count as a full year for purposes of calculating the renewal fee. For example, if at the end of the initial term of the franchise agreement, you enter into a renewal franchise agreement with a term of $7\frac{1}{2}$ years, you will be required to pay a renewal fee of \$8,000.

Type of Fee	Amount <sup>(1)</sup>	Due Date <sup>(7)</sup>	Remarks
Audit and Recordkeeping Costs	Your contractual percentage continuing license fees and percentage sales promotion program fees times the amount of understated Gross Sales, plus any other amounts owed to us	After audit revealing understatement of Gross Sales by 3% or more	If an initial evaluation or audit reveals an understatement of Gross Sales by 3% or more, you must pay all costs for the audit, including salaries, outside accountant and attorneys' fees, copying costs, postage, travel, meals, and lodging ("audit costs"), plus audit costs for any additional audits within 2 years after the initial evaluation or audit.
Termination Fee (for franchise agreement)	One of the following: (1) Two times the continuing license fee due for the last 12 months of active operations; (2) If the location did not operate for a full 12 months, 24 times the average monthly continuing license fee when location was open; or (3) If less than 24 months remain on the franchise agreement, the number of months remaining, times the average monthly continuing license fees due for the last 12 months of active operations.	Upon termination	Applies if ADQ terminates your franchise agreement for default. Does not apply if your initial franchise fee is refunded under the circumstances described in Item 5.
Interest Expenses	18% per annum or the maximum contract rate permitted by governing law	When due	Applies to past due payments payable to ADQ.
Late Fees	\$50 per delinquent report or payment <sup>(4)</sup>	When due	ADQ has the right to require you to pay a service charge for each delinquent report or payment.
Sublease and Lease Administration Fee	\$1,800 - \$3,750 annually <sup>(5)</sup>	When you submit your monthly sublease payments to ADQ or its affiliate	If you sublease the store premises from ADQ or an affiliate, you must pay a lease administration fee in equal monthly installments in an annual amount computed on the annual minimum guaranteed rent. If the minimum guaranteed rent payable to ADQ or its affiliate during the term of the sublease is increased, your lease administration fee automatically increases.

Type of Fee	Amount <sup>(1)</sup>	Due Date <sup>(7)</sup>	Remarks
Additional Training Fees	Will vary based on circumstances <sup>(6)</sup>	When incurred	You must at all times have the required number of trained managers. If you have a trained manager leave, you must replace them with a new manager that has completed ADQ's training requirements.
Gift Card Program Fees	Currently, 3% of total gift card redemptions	When incurred	Gift card program fees are allocated based on a shared cost model between franchisees and the national marketing fund ("NMF"). Currently, franchisees pay fees equaling 3% of total gift card redemptions, which ADQ estimates will be about \$200 per year per location. NMF covers the balance of the gift card program's costs. In the future, the percentage allocation of costs between franchisees and NMF may change.
Costs and Attorneys' Fees	Will vary under circumstances	When incurred	You must pay ADQ for its costs and attorneys' fees in obtaining injunctive or other relief for the enforcement of the franchise agreement.
Training Materials	\$150 - \$500	As materials are provided	ADQ has the right to produce and require you to periodically purchase certain store training materials for use with your employees. These may include DVDs, CDs, written publications and other items.
Training Cancellation or Trainee Substitution Fee	\$100 - \$1,000	Upon cancellation or substitution of new trainee	Fees for cancelling training are: \$150 for cancelling phase 1 and 2 more than 14 days before the training class; \$750 for cancelling phase 1 and 2 fourteen or less days before the training class; \$1,000 for cancelling phase 3 fourteen or less days before the training class. If you pay training tuition for the attendee, ADQ will withhold the cancellation fee from your refund. If you pay an initial franchisee fee and the tuition is included, you must pay the cancellation fee to ADQ. You must pay a trainee substitution fee of \$100 if you substitute a new individual to attend training less than 14 days before a training class.

- (1) Except where otherwise noted, all fees are payable to ADQ or one of ADQ's affiliates, are uniformly imposed and are nonrefundable.
- (2) If you are a conversion franchisee who signs the soft-serve only conversion addendum in

Exhibit C, you will carry over your continuing license fee for DQ® soft-serve products (*i.e.*, keep the same rate as your soft-serve only agreement for these products) and pay 5% of gross sales for all other products. If you are a conversion franchisee who signs the NSF conversion addendum in Exhibit C, you pay the same continuing license fee on soft-serve products as contained in your existing DQ® franchise agreement. You do not pay a continuing license fee on food menu products for the first 36 full months after the Effective Date. Starting with the 37th full month, you must pay a continuing license fee of 5% of "Food Sales" minus "Base Food Sales." Food Sales and Base Food Sales are defined in the applicable conversion addendum.

If you are relocating a store under ADQ's relocation policy, you will carry over your continuing license fee from your existing franchise agreement for years 1-5 of the new franchise agreement. For years 6-10, your continuing license fee will be the mid-point between the continuing license fee in effect for years 1-5 and 5%. For example, if you paid 2% of Gross Sales for years 1-5, then you must pay 3.5% of Gross Sales (the mid-point between the 2% continuing license fee applicable to years 1-5 and the standard 5% continuing license fee in the franchise agreement) as a continuing license fee for years 6-10. For year 11 and throughout the remainder of the franchise agreement, you must pay 5% of Gross Sales, as detailed in the table above.

If you are renewing a franchise agreement entered into prior to April 2007 that contains a 6% continuing license fee and a requirement to modernize, you must sign the Renewal Addendum included in Exhibit B and your continuing license fee will remain at 6% until the modernization is complete, when it will be decreased to 5%.

(3) If you are a conversion franchisee who signs the soft-serve only conversion addendum in Exhibit C, you must pay a sales promotion program fee of 3% of gross sales. If you are a conversion franchisee who signs the NSF conversion addendum in Exhibit C, you must pay a sales promotion program fee equal to the greater of 2.5% of gross sales or the rate in your existing franchise agreement.

If you are relocating a store under ADQ's relocation policy, for years 1-5 of the new franchise agreement you must pay the sales promotion program fee in your current franchise agreement but not less than 3.5%. For years 6-10, you must pay the sales promotion program fee in your current agreement but not less than 4%. For year 11 through the remainder of the term of the franchise agreement, you must pay the sales promotion program fee of 5-6% of Gross Sales, determined in the same manner as disclosed in the table above.

(4) If ADQ or an affiliate is the prime lessee for your authorized location, a \$100 service charge applies to late payments under the sublease. See Item 10.

(5) The lease administration fee is calculated as follows:

Minimum Annual Guaranteed Rent	Lease Administration Fee
\$0 - \$24,000	\$1,800 per year paid in 12 installments of \$150 per month
\$24,001 - \$50,000	7.5% of the minimum annual guaranteed rent per year paid in 12 equal monthly installments
\$50,001+	\$3,750 per year paid in 12 installments of \$312.50 per month

- (6) See Item 11 for more information regarding ADQ's training requirements.
- (7) If you pay or report late, ADQ may require you to remit amounts due through a weekly payment program. You must pay all business debts, liens and taxes promptly when due. If you fail to do so, ADQ may pay them and is entitled to immediate reimbursement from you.

# **Item 7: Estimated Initial Investment**

Type of Expenditure	Amount for Captive- Venue Location <sup>(1)</sup>	Amount for Street Location <sup>(1)</sup>	Method of Payment	When Due	To Whom Payment Is to Be Made <sup>(2)</sup>
Initial Franchise Fee <sup>(3)</sup>	\$25,000	\$25,000	Lump sum	When submit franchise application	ADQ
Initial Training Fees and Costs <sup>(4)</sup>	\$400 - \$8,400	\$750 - \$8,400	Lump sum	Prior to training	ADQ or third party suppliers
Travel and Living Expenses for Training Programs <sup>(5)</sup>	\$5,200 - \$17,300	\$5,200 - \$17,300	Lump sum	As incurred during programs	Transportation companies, hotels and restaurants
Building, Construction and Leasehold Improvements <sup>(6)</sup>	\$235,000 - \$470,000	\$390,000 - \$870,000	As Incurred	Prior to opening	Landlord, third party suppliers and contractors
Prepaid Rent and Security Deposit <sup>(7)</sup>	\$2,500 - \$5,500	\$2,500 - \$5,500	Lump sum	Prior to opening	Landlord
Construction Consultation Services <sup>(8)</sup>	\$0 - \$5,000	\$0 - \$7,500	Lump sum	Prior to consultation	ADQ

#### YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount for Captive- Venue Location <sup>(1)</sup>	Amount for Street Location <sup>(1)</sup>	Method of Payment	When Due	To Whom Payment Is to Be Made <sup>(2)</sup>
Building Plans, Design Intent Plans and Architectural Seal <sup>(9)</sup>	\$7,000 - \$20,000	\$7,000 - \$35,000	Lump sum	As incurred	ADQ or third party suppliers
Equipment (includes signs and point-of-sale systems) <sup>(10)</sup>	\$220,000 - \$360,000	\$360,000 - \$420,000	Lump sum, or down payment with balance financed	Usually upon placement of order	Third party suppliers
Training Inventory <sup>(11)</sup>	\$3,000 - \$6,000	\$2,000 - \$6,000	Lump sum	Prior to opening	Third party suppliers
Opening Inventory	5,000 - \$10,500	\$6,000 - \$12,000	Lump sum	Prior to opening	Third party suppliers
Utility Deposits, Business Licenses and Government Charges <sup>(12)</sup>	\$3,000 - \$7,500	\$3,000 - \$15,000	Lump sum	Prior to opening	Third party suppliers; local municipality
Attorneys' Fees <sup>(13)</sup>	\$1,000 - \$8,000	\$1,000 - \$8,000	Lump sum	As incurred	Attorney
Additional Funds - 3 Months <sup>(14)</sup>	\$41,000 - \$115,000	\$41,000 - \$155,000	As incurred	Prior to opening and as incurred	ADQ and its affiliates; employees; or third party suppliers
TOTAL <sup>(15) (16)</sup>	\$548,100 - \$1,058,200	\$843,450 - \$1,584,700			

- (1) The initial investment amounts do not include the cost of land, and the amounts in several categories will vary depending on building size, whether you lease or own the space or building, and whether you are a new or conversion franchisee, among other factors.
- (2) Except where otherwise noted, all fees paid to ADQ or its affiliates are nonrefundable. Third party lessors, contractors, and suppliers determine if payments to them are refundable.
- (3) See Item 5 for conditions when the initial franchise fee is refundable, or when you may pay a reduced or no initial franchise fee in certain circumstances.
- (4) There are three required components to training: (1) the MTRA; (2) SERVSAFE certification; and (3) ADQ's training program, which is made up of three phases. The MTRA costs \$200/person, a SERVSAFE course costs \$200-\$400/person, and ADQ's training program costs \$3,600/person. If you are a current franchisee that already has at least one existing DQ® Treat location open and operating for a minimum of two years and you are developing an additional restaurant under ADQ's additional restaurant development (ARD) program, you may be permitted with operational

approval to have training candidates with a certain level of experience test out of Product and Equipment Training (phase 1), in which case the cost of the remaining phases of ADQ's training program is \$2,300/person, or test out of both Product and Equipment Training, and Service, Management and Financial Basics Training (phases 1 and 2), in which case the cost of the remaining phase of ADQ's training program is \$1,000/person. If you pay the full initial franchise fee, you can send one person to ADQ's training program without paying a training fee.

The low end of the range assumes you pay for one person to pass the MTRA and obtain SERVSAFE certification. The high end of the range assumes you pay for one person to take the MTRA, obtain SERVSAFE certification and attend all three phases of ADQ's training program. If your trainee does not pass People, PRIDE, and Profit Training (phase 3) within six months after phase 2 completion, you must pay an additional \$1,000/person for phase 3 completion.

The MTRA fee is nonrefundable. If a training attendee cancels a scheduled MTRA more than one business day before the scheduled MTRA, the MTRA fee will be applied to the next scheduled MTRA for that attendee. If a training attendee fails to cancel at least one business day before the scheduled MTRA or fails to appear at the testing facility, the MTRA fee will be forfeited.

In limited instances, you may be required to pay ADQ a fee for on-site pre-opening and opening assistance. Availability of this assistance is at ADQ's discretion, and you must pay for the full opening program as determined by ADQ. The fee is approximately \$800 per day, per person that provides assistance, which is due prior to the time the on-site pre-opening and opening assistance is rendered. The total due can vary widely, depending on various factors such as your and your crew's level of experience, the number of ADQ personnel providing assistance, and the extent and duration of assistance provided.

If you relocate a store under ADQ's relocation policy, you are required to meet the then-current minimum training requirements for new DQ® Treat stores. For those training items listed in this table (all phases of ADQ's training program, the MTRA, and a SERVSAFE course, for which your management team is not in compliance, you must comply and pay all associated fees described in this Item 7.

- (5) The total amount of travel and living expenses will vary depending on the number of training attendees and the types of training completed by your training attendees; these estimates assume you send two people to all three training components. ADQ estimates you will pay approximately \$0-\$250/person for the MTRA (the MTRA is generally available at locations reasonably close to prospective franchisees), \$0-\$400/person for a SERVSAFE course, and \$2,600 \$8,000/person for all phases of ADQ's training program.
- (6) The estimates include site work, buildout, mechanical and other related fees, but does not include land costs. A Captive-venue location will have approximately 600-1,400 square feet and will ordinarily be a leased space within a larger structure. A Street location will have approximately 1,000-1,800 square feet and will ordinarily be owned. The initial investment for leasehold improvements will vary depending upon local labor costs, anticipated traffic through the store, and whether the building is a completed structure immediately adaptable to installation of necessary fixtures and equipment or whether it is a location where construction is in progress. These variables affect how obligations will be distributed between landlord and tenant under different lease agreements and the costs of acquisition and construction. ADQ must approve the leasehold improvements prior to construction, including the graphics and signage for the store front.

In the rare event that ADQ or one of its affiliates agrees to sign a prime lease for the premises and sublease the premises to you, ADQ or its affiliate will charge you the cost of the prime lease, all deposits required by the landlord, the lease administration fee discussed in Item 6, and any lease costs to buy out a previous lessee of the location. A copy of the current sublease is included in this disclosure document as Exhibit H. You must pay all leasehold improvement and equipment costs. See Item 10.

If you purchase land and building for a Street location, the land costs will generally vary from \$250,000 to \$620,000 or more. ADQ does not typically provide the necessary land or building for Street locations and your budget must allow for the initial cash outlays and long term investment obligations necessary to acquire the land and building. The total cost of the real property for a Street location will vary depending on many variables including restaurant location and lot size; building size; site improvement costs; soil and environmental conditions; federal, state and local building codes and fees; health department requirements; local labor, materials and interest costs; union labor requirements; inflation and other factors. Down payment requirements and initial financing or commitment expenses are negotiated individually and vary too widely to realistically predict.

- (7) You usually will be required to pay one month base rent as a security deposit to the landlord and may be required to pay an additional security deposit under a sublease. ADQ estimates base rent for 750 square feet will be \$3,500 to \$7,000 or more per month, plus approximately 8% to 12% of gross sales in excess of a specified amount to which base rent is credited; actual rent will vary based on store size, geographic location, costs assumed by the landlord and other economic factors. Leases also usually impose an obligation toward common area maintenance costs, insurance charges, real estate taxes and special assessments, HVAC charges, utility charges, water and sewer charges, security charges, trash removal charges, mall charges, promotional and marketing charges, food court charges and improvements, and charges for membership in a merchants association.
- (8) ADQ requires that it consult with and assist you on all preopening construction and equipment installation for the franchised premises, and that you sign the construction consultation services agreement included in this disclosure document as Exhibit G. ADQ will not provide this service if you do not retain the services of a general contractor licensed to work in the city and state in which the project is located. ADQ will not charge the construction consultation services fee if you pay the full initial franchise fee, but you must pay this fee if you pay a reduced or no initial franchise fee (for example, as a conversion franchisee or if you relocate your store under the relocation policy). You are responsible for any additional costs due to delays or complications beyond ADQ's control, and for any deviations or escalations in any leasehold improvements or construction costs, including any additional costs to comply with all federal, state, or local requirements.
- (9) ADQ will provide you with design criteria information to assist you, your architects and engineers in preparing building plans. In the rare event that ADQ or one of its affiliates is the prime lessee of your store premises, you must purchase design intent plans designated by ADQ (see Item 5). If you develop a freestanding Street location, you may be required to purchase ADQ's prototypical design intent plans for Street locations if they are available, for a fee of \$3,000 (which is included in your initial franchise fee for new and ARD locations). These plans are valid for 6 months from the date of issuance. In either case, you must sign the design services agreement included in this disclosure document as Exhibit F, and will need to hire an architect to prepare building plans for your store. Your architect must conform any design intent plans or design criteria information that ADQ provides (which are designed to meet Minnesota Building Code) to local, state and federal laws and building code requirements, including the Americans With Disabilities Act.

The building plans must be full architectural, mechanical, electrical, plumbing and food service drawings showing equipment layout, manufacturer and model numbers and bearing the seal of a registered architect in the state where your store will be located; building plans for a Street location must also include full structural, and final site and grading plan. You must submit your store building plans for ADQ's approval before you begin construction, and your architect must obtain any local building plan approval. ADQ must approve in writing any proposed alterations to design intent plans, design criteria information or previously approved building plans. Further, if your local architect makes any revisions to ADQ's design intent plans or design criteria information, those revisions become the property of ADQ and its affiliates, and ADQ and its affiliates have the right to use those plans in any manner in the future.

- (10) Your investment in equipment and fixtures is highly variable for your store. The investment depends to a great extent on the size of the building or space and whether you are in a Captive-venue or Street location. The investment also depends on the size and location of your store, the anticipated traffic through the store, local labor costs, current prices charged by equipment suppliers, discretionary expenditures, inflation, financing costs and similar factors beyond ADQ's or your control. Equipment payments generally are not refundable. Investment obligations beyond the initial cash outlay requirements will be necessary and you may finance at your discretion. Market forces will determine loan repayment totals and interest on borrowings will be determined by market forces at the time of any financing transaction.
- (11) You must purchase the training inventory used by you and your employees at your store during ADQ's on-site opening assistance.
- (12) This amount includes utility and security deposits and business licenses. Deposits are generally refundable, but license fees are not. For a Street location, you may be required to submit an impact study to a local government agency to receive necessary local permits and approvals for your store. These estimates may be significantly higher in some unique jurisdictions where local authorities may require fees in excess of \$100,000 for electrical, sewer/water and/or other miscellaneous connections.
- (13) This amount is an estimate for attorneys' fees in connection with your purchase of the franchise and purchase or lease of the franchised premises.
- (14) This amount is projected to cover initial operating expenses for one store for three months, such as managerial salaries, rent, debt service, local advertising, taxes, freight, office expenses, security, Payment Card Industry ("PCI") compliance, monthly service and support fees related to components of the EPOS system, credit card processing, internet connection, and/or authorized music systems, but you may have additional expenses starting the business. This amount does not include hourly labor or food costs beyond the opening inventory costs listed. Your costs will depend on factors such as adherence to ADQ's systems and procedures, management skills and experience, business acumen, local economic conditions, the local market for DQ® products, competition, employee compensation, the number of employees, and the sales level reached during the initial period.
- (15) This total is an estimate of your initial investment for a single store and is based on ADQ's estimate of nationwide average costs, market conditions prevailing as of the date of this disclosure document, and ADQ's and its predecessors' experience in the business since 1940. You should review this amount carefully with a business advisor before making any decision to enter into a franchise agreement. For determining your initial cash position, you should anticipate that local

lending institutions ordinarily require a 20% equity position on all leasehold improvements and possibly 25% on all equipment.

ADQ cautions you to 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. You must bear any deviation or escalation in costs from the estimates in this Item or estimates that ADQ gives during any phase of the development process.

(16) If you are a conversion franchisee or a franchisee converting an existing facility that was a different restaurant brand, you may not incur all of the expenses listed in this Item 7. Conversion costs may vary significantly, depending on the type (i.e., Captive-venue or Street location) and condition of the facility, the prior use of the building, and other costs that might be incurred to rectify deferred maintenance issues and/or to make other facility upgrades that are not directly related to the conversion but that are completed at the same time.

# Item 8: Restrictions on Sources of Products and Services

### **Required Purchases**

You must maintain and comply with ADQ's quality standards to protect the uniform image and quality of products and services throughout the DQ® system.

While you are not required to purchase or lease real estate from ADQ or its affiliates, you must obtain ADQ's consent to the location of your store, and ADQ has the right but not the obligation to approve the lease for the store premises prior to execution. If ADQ or one of its affiliates is the prime lessee of the franchised premises, it may sublease the premises to you, and you must pay the lease administration fee described in Item 6. You must construct and equip your store according to the then-current design, specifications and standards and must ensure that your building plans comply with the Americans With Disabilities Act and all other federal, state and local laws.

You must modernize your building, premises, equipment, signage and grounds to conform to ADQ's then-current standards for similarly situated new DQ® restaurants when you renew your franchise, on transfer of the franchise under certain circumstances, and every 10 years or any shorter period required by any applicable lease or sublease for the premises.

You may only use or purchase products approved by ADQ that meet ADQ's specifications. For purposes of this Item 8, "products" includes products, services, ingredients, supplies, signage, fixtures, furnishings, advertising and sales promotion materials, and equipment (including hardware and software for a computerized electronic point-of-sale ("EPOS") system or other computer systems, communications equipment, or electronic services providers). Approved products must meet ADQ's specifications, and are manufactured, provided or prepared by ADQ approved manufacturers, suppliers or distributors. ADQ periodically identifies approved products for use in DQ® locations, and has the right to periodically change the list of approved products, and to update and alter the specifications for approved products.

ADQ always has the right to designate a single approved manufacturer, supplier or distributor for the following products: (1) soft drinks; (2) third party branded products; (3) products relating to

limited time offers and special promotions; (4) equipment, including EPOS equipment and all related point-of-sale and web based software and back-office hardware and software; (5) any product you purchase where ADQ does not receive a fee or payment from the manufacturer with respect to the sale of that product, other than payments from vendors for marketing; and (6) the Orange Julius® proprietary powders and frozen orange juice concentrate.

For other products not listed in (1) - (6) above, as long as there is not in place an agreement for a "unified purchasing program," a franchisee may make written request for approval of a specific product, service or piece of equipment of an additional, qualified manufacturer, supplier or alternate distributor, pursuant to ADQ's then current policies and procedures.

ADQ has received and offered proposals to create a unified purchasing program as a joint effort between ADQ and a cooperative association of DQ® restaurant and store operators, to benefit the entire DQ® system in the United States. For any period during which there is an agreement for a unified purchasing program: (1) ADQ will designate as approved the manufacturers, suppliers or distributors properly selected within the structure of that program; and (2) ADQ has the right to designate a single approved manufacturer, supplier and/or distributor of any approved products.

ADQ has currently designated ParTech, Inc. as the sole supplier of the required EPOS hardware and software that you must purchase for your restaurant. You will be required to sign an agreement with ParTech for the purchase of the equipment, software subscription services, installation and other services ("ParTech Participation Agreement") when you sign your franchise agreement. ADQ also has designated (a) Fiserv (formerly, FirstData Merchant Services) as the sole supplier of payment card processing and related services you must purchase, (b) Verifone as the sole supplier of certain payment card data encryption services that you must purchase; (c) ValueLink, LLC as the sole supplier of the gift cards and related services you must purchase, (d) Mobo Systems, Inc. aka Olo as the sole supplier of the DQ Mobile App System and (e) Acumera as the sole supplier of managed firewall services you must purchase. When you sign the franchise agreement, you must also sign agreements with each of these suppliers for their services. ADQ has the right to designate suppliers in place of or in addition to these suppliers.

The franchise agreement requires you to purchase and maintain liability insurance at a minimum limit of liability that ADQ designates periodically. You also must purchase and maintain any other insurance required by law or by any agreement related to the franchised business. You must furnish copies of all insurance certificates to ADQ. ADQ has arranged with a third party insurer to make certain insurance, including liability insurance, available to qualifying franchisees.

ADQ may require you to periodically purchase restaurant training materials from ADQ. See Item 6 and 11 for more information.

ADQ estimates that the purchase or lease of equipment (including computer and EPOS system hardware and software), signage, fixtures, furnishings, products, ingredients, supplies, advertising and sales promotion materials (see Item 11 for information on advertising and sales promotion materials), and services which meet ADQ's specifications represent approximately 80% to 90% of the cost to establish the franchised business (excluding land) and 25% - 35% of the cost to operate the franchised business.

ADQ provides no material benefit (such as renewal or granting additional franchise rights) based on your purchase of particular products or services or use of particular suppliers, but your franchise agreement obligates you to use products and services approved by ADQ. ADQ considers a number of factors when determining whether you might qualify for an additional franchise, including compliance with your franchise agreement and support of ADQ's programs and policies.

## **Approval of Alternate Suppliers**

ADQ has the right to approve the manufacturer, supplier or distributor of any approved products you purchase. If there is no agreement in place for a unified purchasing program, you may request approval in writing of a specific product from an alternate manufacturer, supplier, or distributor, of products other than those listed in (1) - (6) in the "Required Purchases" section above in this Item 8. ADQ only approves alternate manufacturers for products if doing so will not create an inordinate number of manufacturers of the product, and the manufacturer meets ADQ's thencurrent requirements. ADQ will not make product specifications available to you, but upon request will provide summary specifications to you to provide to a manufacturer with detailed written specifications for the product, or, if detailed written specifications are not available, ADQ will provide the manufacturer with a parameter specification or information about a comparison product for purposes of obtaining approval of the alternate manufacturer. ADQ may require you and the manufacturer to sign a non-disclosure agreement before providing information on specifications.

ADQ uses the following criteria, which ADQ may change periodically, when evaluating an alternate product or manufacturer:

- Compliance with ADQ's specifications
- Ability to supply a large number of restaurants or geographic areas
- Ability of facility to meet ADQ's requirements and accessibility for periodic evaluations
- Completion of a successful facility inspection by ADQ and/or a designated third party auditor that, depending on the product, may need to be certified by a Global Food Safety Initiative (GFSI) recognized scheme
- Acceptable food defense plan, supplier specification, HACCP plan, product recall process, 24 hour contact information, and allergen control program
- Manufacturer attendance at meeting with ADQ's Research & Development staff to review specifications and related procedures
- Compliance with other requirements as may be periodically implemented

ADQ (or a third party product evaluator) may charge the evaluation cost to you or the manufacturer. ADQ may also charge the manufacturer for the cost of periodic reviews of existing products and manufacturing facilities, and may require the manufacturer to submit products and make payments to third-party product or facility evaluators. Fees charged are based on a schedule of fees as may be established periodically by ADQ or the third-party evaluator.

The manufacturer must provide samples (ultimately from a production run), product labels, and packaging for the alternate product. ADQ or a third party product evaluator will conduct an evaluation of one or more samples to determine if the manufacturer's product conforms to ADQ's

specifications. The evaluation may take from 90 - 180 days or significantly more, depending on the complexity of the product, the specifications, the comparison product, and the manufacturing process, as well as the manufacturer's ability to provide samples and any required modifications on a timely basis. Before final approval, ADQ may require that a product successfully complete a field and distribution test where the product moves through a warehouse and is used in DQ® restaurants and stores, which may take an additional 30 - 60 days or more. ADQ will notify you and the manufacturer of the approval or rejection of the manufacturer or product. If the manufacturer or product is not approved, ADQ or a third party product evaluator will notify you and the manufacturer of the basis for the decision.

The manufacturer will be required to sign an approved products contract with ADQ that may be terminated on 90 days' notice, or that ADQ may terminate sooner if the manufacturer is in violation of any of the terms of the contract or if the product is discontinued for use in the DQ® system.

# **Supply Chain**

IDQ is involved in the purchasing and distribution business through its wholly-owned subsidiary, Unified Supply Chain, Inc. ("USCI"). In 2004, IDQ made the commitment to reduce its average margins over an eleven year period, culminating with a maximum average margin (as defined below) of 2.5%. In 2015, IDO made an additional commitment that in 2016 it would permanently eliminate supply chain margin service fees received from manufacturers and distributors of equipment and smallwares, and that it would further reduce its maximum average supply chain margin to 1.5% by 2025. The 2004 and 2015 commitments are together referred to as the "margin commitment." This margin commitment refers to amounts received after deducting costs associated with developing and supplying products (such as tooling depreciation and rentals), technology tools, obsolete inventory and expedited freight. IDQ/ADQ made this margin commitment on a permanent basis to benefit all existing and future franchisees. Under the margin commitment, USCI has received margins between 0% and 8.5%, and under the new commitment the margins will be between 0% and 6.5%. For 2023, the maximum average margin is 1.75%. In addition, IDO/ADO made a commitment that should IDO ever divest USCI, the buyer will be obligated to honor the margin commitment, unless the buyer, as a franchisee cooperative, chooses to establish a different margin structure supported by a majority of its members.

"Margin," for purposes of this Item, means the management service fee payments that USCI receives from vendors based on the warehouse landed cost of products within the scope of the margin commitment, in place of the margin that IDQ/USCI historically realized when IDQ/USCI was in the buy-sell (inventory ownership) position with respect to products used in the operations of DQ® restaurants and stores.

The scope of what is included in the margin commitment is food, paper, packaging, ready to decorate cakes, and other products managed through the USCI authorized warehouse system in the U.S., but does not include IDQ supply products, uniforms, and items not used in the operation of a restaurant. Manufactured frozen novelties have been excluded from the scope, and instead are under a separate margin schedule. In 2023, service fee payments relating to manufactured novelties will not exceed an average margin of 3.5%. The new 2015 margin commitment will systematically reduce the margin on manufactured novelties further and fully include them in the scope by 2025.

National payments from vendors for marketing will flow through NMF and are not in the scope of the margin commitment.

USCI manages all of the components of the supply chain process, but is no longer in the purchase order process between distributors and vendors related to most purchases in the U.S. distribution system. ADQ, USCI or its affiliates negotiate purchase and sale arrangements (including price terms) with suppliers and distributors that benefit the DQ® system, which may include national account programs for products and services. However, ADQ and its affiliates do not negotiate on behalf of individual franchisees.

USCI obtains commitments from strategically located, independently owned warehouses to carry approved products, and to make them available to DQ® restaurants and stores within a particular area. USCI may require its authorized warehouses to carry a full line of products sourced by USCI, and may require that the warehouses sell to DQ® franchisees only those products that are sourced by USCI. Some products sourced and managed in the supply chain by USCI are the only approved products of their type because of a lack of franchisee requests for approval of an alternate supplier, the lack of incentives for others to engage in the supply or distribution of the product, or for other similar reasons.

An independent accounting firm annually reviews certain performance measures of USCI and USCI shares this information with its advisory council made up of elected franchisees, the Supply Chain Advisory Council ("SCAC"), which is further described in Item 20. The SCAC is given access to financial information of USCI to allow them to give valuable input to the management of USCI.

ADQ or its affiliates may sell advertising and sales promotion materials, and other food and nonfood products used in the franchised business to franchisees, to authorized warehouses, or otherwise for use in the DQ® system.

There are one or more purchasing or distribution cooperatives in the DQ® system that may be involved in the distribution of certain products used in the franchised business.

# **Payments from Suppliers**

During the 2022 fiscal year, IDQ derived revenues of \$46,411,606 from the net sale of products, marketing kits, real estate finance and rental income, insurance, and supplier service fees. This amount equals 20% of IDQ's total revenues of \$236,936,858, based on IDQ's consolidated statement of income for the year ended December 31, 2022. Consolidated financial statements are included in this disclosure document as Exhibit L, and include the accounts of IDQ and its subsidiaries described in Item 1. The revenues reflect purchases by DQ® and Orange Julius® franchisees.

IDQ and its affiliates receive fees or payments from some third party suppliers that may or may not be reasonably related to services IDQ or its affiliates provide to the suppliers. Some arrangements with third party suppliers require IDQ or its affiliates to perform services, such as administrative, technical, quality assurance, advisory, data collection, customer service, or promotion forecasting services. Presently, IDQ and its affiliates receive fees and payments from third party suppliers ranging from 0% to 10% of each supplier's sales to franchisees or warehouses in the U.S. of the following items which are used in the operation of DQ® restaurants or stores: products, services, ingredients, supplies, equipment, uniforms, signage, fixtures, furnishings, advertising and sales promotion materials. These fees and payments are calculated as a percentage and paid as a percentage or as a flat fee amount. This range, and the amounts listed below, may be adjusted in the future. Also, USCI authorized warehouses pay a fee to USCI of up to 0.5% of their gross sales of product moving through the DQ® system.

IDQ and its affiliates may receive fees and payments from third party suppliers in greater amounts with respect to items not used in the operation of DQ® restaurants or stores, such as items sold under a merchandise licensing program or other similar arrangement. For example, ADQ may grant a license to a manufacturer to allow it to place ADQ's trademarks on sportswear or advertising specialty products.

Although not considered revenue, ADQ and its affiliates received payments in 2022 from third party suppliers that were accounted for as DQ® national or DMA advertising fund receipts totaling approximately \$3,340,048, which includes \$2,041,071 from various third party vendors, and \$1,298,977 from soft drink vendors. As of the date of this disclosure document, ADQ anticipates that ADQ and its affiliates will receive similar amounts from third party suppliers in 2023. These payments may be percentage payments based on sales to franchisees, lump sums, reimbursements, or other similar types of payment. ADQ or its affiliates may also receive payments in connection with conferences hosted by ADQ or its affiliates, or in connection with other unique activities or initiatives, and these funds may, in consultation with the franchisee SCAC, be used in various ways to benefit the DQ® or Orange Julius® systems.

Fee and payment arrangements in foreign countries may be different than arrangements in the U.S.

#### **Ownership Interest in Suppliers**

As of December 31, 2022, some ADQ officers own an interest in the following companies that supply products or services to ADQ's franchisees: Verizon Wireless, Hormel, C.H. Robinson Worldwide Inc., Microsoft Corporation, Uber Eats, Olo, Coca-Cola, ADP, Kimberly-Clark Corporation, and UPS. As noted in Item 1, ADQ's parent company is IDQ, which is a wholly-owned subsidiary of Berkshire Hathaway, Inc. ("Berkshire"), a holding company owning a large number of subsidiaries engaged in diverse businesses. ADQ officers may own shares of Berkshire, although officers do not own interests in the individual subsidiaries. Depending on Berkshire's portfolio, certain subsidiaries may supply products or services to the DQ® system.

# Item 9: Franchisee's Obligations

#### 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	Franchise Agreement - Section 2.1, 5.1, 5.6 Sublease - Section 1-3 Franchise Application	Items 5, 7, and 11
b.	Pre-opening purchase/leases	Franchise Agreement - Section 6.1-6.5, 6.15 Sublease - Section 1-3	Items 5, 7, 8 and 11
c.	Site development and other pre-opening requirements	Franchise Agreement - Section 2.2, 5.1 Design Services Agreement Construction Consultation Services Agreement	Items 5, 7, and 11
d.	Initial and ongoing training	Franchise Agreement - Section 2.2, 7.1-7.8, 11.3	Items 5 and 11
e.	Opening	Franchise Agreement - Section 2.2 Sublease - Section 2	Items 5 and 11
f.	Fees	Franchise Agreement - Section 9.1-9.8 Sublease - Section 1-3, 7, 10-11 Franchise Application	Items 5, 6 and 7
g.	Compliance with standards and policies/Operating Manual	Franchise Agreement - Section 6 Sublease - Section 2-4, 7, 10-11, 17-18, 24-25, 32 FSA - Section 1, 5	Items 11 and 16
h.	Trademarks and proprietary information	Franchise Agreement - Section 3, 6.3, 6.12 FSA - Section 1, 2F	Items 13 and 14
i.	Restrictions on products/services offered	Franchise Agreement - Section 6 FSA - Section 2D, 5C	Items 8, 11 and 16
j.	Warranty and customer service requirements	Not applicable	Not applicable
k.	Territorial development and sales quotas	Not applicable	Not Applicable
1.	Ongoing product/service purchases	Franchise Agreement - Section 6 FSA - Section 5A, 5C	Items 8 and 11
m.	Maintenance, appearance and remodeling requirements	Franchise Agreement - Section 5 Sublease - Sections 10, 23-24 FSA - Section 5B	Items 6 and 11

	Obligation	Section in agreement	Disclosure document item
n.	Insurance	Franchise Agreement - Section 10.3 Sublease - Section 2 FSA - Section 8A	Items 5, 6 and 8
0.	Advertising	Franchise Agreement - Section 8, 9.3 Sublease - Section 2 FSA - Section 6	Items 5, 6, 7 and 11
p.	Indemnification	Franchise Agreement - Section 10.2 Sublease - Section 7, 17, 20, 31 FSA - Section 8C	None
q.	Owner's participation/ management/staffing	Franchise Agreement - Section 7 Franchise Application	Items 11 and 15
r.	Records and reports	Franchise Agreement - Section 9.9, 9.10 Sublease - Section 7 FSA - Section 6, 7	Item 6
s.	Inspections and audits	Franchise Agreement - Section 6.8, 9.11 Sublease - Section 7 FSA - Section 5B	Item 6
t.	Transfer	Franchise Agreement - Section 11 Sublease - Section 6 FSA - Section 9	Items 6 and 17
u.	Renewal	Franchise Agreement - Section 4.3 Sublease - Section 9	Item 17
v.	Post-termination obligations	Franchise Agreement - Section 14 Sublease - Section 4, 15 FSA - Section 11	Item 17
w.	Non-competition covenants	Franchise Agreement - Section 10.5, 14.6	Item 17
x.	Dispute resolution	Franchise Agreement - Section 3.5, 12, 15.8-15.10 Sublease - Section 28	Item 17
у.	Other (describe)	Not Applicable	Not Applicable

#### Item 10: Financing

Although they may have done so in the past, ADQ and its affiliates generally do not offer financing arrangements or similar assistance to franchisees, except as explained below. Neither ADQ nor its affiliates finance any part of the initial franchise fee.

Neither ADQ nor its affiliates will offer site acquisition, equipment or leasehold financing services to you for the establishment of your franchised business. You must obtain necessary financing through third parties. ADQ periodically arranges with third party finance companies or banks to make financing programs available to franchisees. These arrangements ordinarily involve no more than arranging to put franchisees in contact with sources of financing available. There is no

assurance that financing will be offered in any particular instance. If financing is offered, the financial institution independently establishes the amount, terms, interest rate and duration. Neither ADQ nor any of its affiliates receive any payments in exchange for such referrals or the placement of any financing. It is solely your responsibility to locate and obtain, on whatever terms you can arrange, any required financing for the establishment of your franchised business.

In situations when the landlord or developer of the authorized location will not lease the premises to you, ADQ or DQF may, in rare occasions, enter into a prime lease with the landlord and make the premises available to you by sublease.

The terms of the sublease are summarized in the table on the following page.

	SUBLEASE (Notes 1 and 6)								
Item Financed	Amount Financed	Down Payment	Term	APR %	Monthly Payment	Prepay Penalty	Security Required	Liability Upon Default	Loss of Legal Rights on Default
Leased space	(Note 1)	(Note 1)	Term is concurrent with that of the term of the prime lease	(Notes 1 and 2)	Monthly payments over the term which include a portion of the annual minimum guaranteed rent (which is subject to increase if the rent increases under the prime lease), a percentage rent if gross sales exceed a certain amount and an additional monthly rent for any leasehold improvements	None	Security deposits; security interest and express contractual lien upon fixtures, equipment and personal property; personal guaranty (Note 3)	Termination of sublease; loss of franchise; payment of entire unpaid amount and interest; loss of premises; costs of recovering and reletting premises; costs of collection and attorneys' fees (Note 4)	Waive trial by jury; waive claims against ADQ, DQF and the landlord regarding use of the premises; guarantors waive notice of receipt of guaranty and notice of default by you (Note 5)

# SUMMARY OF FINANCING OFFERED

#### Notes:

- (1) A copy of the sublease is attached as Exhibit H. You must either pay in full the cost of preopening leasehold improvements at the time you enter into the sublease with ADQ or DQF, or finance the cost of preopening leasehold improvements over the first 5 years of the term of the sublease at the option of ADQ or DQF. Terms of the preopening leasehold improvements financing are contained in the sublease at Paragraph 7. Future leasehold improvements will be your sole responsibility, and ADQ cannot predict whether you will be able to obtain third party financing for your costs.
- (2) Your failure to make a payment under the sublease will result in an interest charge on the payment of the lesser of 18% per annum or the maximum rate permitted by applicable law, and a \$100 service charge for the late payment. Sublease, Paragraph 7.
- (3) See sublease, Paragraphs 1, 27 and Guaranty.
- (4) See sublease, Paragraphs 4, 14 and 15.
- (5) See sublease, Paragraphs 20 and 28.
- (6) It is not ADQ's or DQF's past or current practice to sell, assign or discount to any third party (other than an affiliate) any note, financing agreement, or other financing instrument that franchisees sign. These transactions may have occurred in the past but only on an isolated basis; however DQF has the right to do so in the future. ADQ or its affiliates may occasionally pledge their interest in financing instruments to third parties to secure various obligations of ADQ or its affiliates to the third parties.

#### Item 11: Franchisor's Assistance, Advertising, Computer Systems, and Training

#### Except as listed below, ADQ is not required to provide you with any assistance.

Pre-opening Assistance. Before you open your store, ADQ will:

- 1. Provide you with design information or prototypical design intent plans described in Item 7 (design services agreement included as Exhibit F).
- 2. Advise you in the selection of a contractor for the construction of your store facility, assist you in the negotiation of construction bids and assist you with equipment installation at the appropriate time if you purchase or are otherwise entitled to receive ADQ's construction consultation services, as described in Item 7 (construction consultation services agreement included as Exhibit G).
- 3. Furnish or make available to you, through the ADQ website or otherwise, confidential lists of approved equipment, signage, fixtures and furnishings (franchise agreement section 6.4(A)).
- 4. Provide the mandatory training program described later in this Item 11 (franchise agreement section 7.1).

5. Provide on loan to you, a hard copy or electronic or online access to ADQ's system standards and operations manual and resource guides ("Operations Manual") (franchise agreement section 6.11). The Operations Manual is confidential and proprietary and you must keep it confidential as stated in Item 14 of this disclosure document. The tables of contents for ADQ's current Operations Manual is included in this disclosure document as Exhibit I. The current number of pages devoted to each subject is indicated on the tables of contents and the total number of pages in the Operations Manual is 225.

Ongoing Assistance. During the operation of your store, ADQ will:

- 1. Provide on-site pre-opening and opening assistance (franchise agreement section 2.2) for up to 24 person days.
- 2. Periodically update the Operations Manual and notify you of any additions or modifications to the Operations Manual (franchise agreement section 6.11).
- 3. Periodically publish updated lists of approved products, ingredients, services, and equipment to assist you in purchasing approved products (franchise agreement section 6.4).
- 4. Periodically make available to you, electronically or otherwise, an in-restaurant training program for use in training your employees (franchise agreement section 7.4).
- 5. Periodically hold or sponsor meetings for you and other franchisees (franchise agreement section 7.7).
- 6. Establish, organize and prescribe advertising and sales promotion activities (franchise agreement section 8.1).

#### **Advertising and Marketing**

ADQ establishes and conducts sales promotion activities generally for the promotion of the DQ® system, brand and products. It also establishes and conducts sales promotion activities primarily for the promotion of the Orange Julius® system, brand and products. ADQ establishes sales promotion activities for the promotion of DQ® Treat stores, and for the promotion of Orange Julius® products, all of which may be entirely different from the activities relating to other DQ® restaurants and stores. ADQ does not have any fiduciary obligations to franchisees with respect to the funds, nor any obligation to spend any amount on sales promotion in the area or territory where you are located, for a particular component or type of DQ® business or for any individual restaurant or store. ADQ has the sole right to determine how the sales promotion program fees will be spent, and the sales promotion program fees are not held by ADQ in trust.

#### Fees

ADQ's sales promotion activities are funded by the sales promotion program fees you and other DQ® franchisees must pay. Depending on your sales promotion program fee rate, all or a portion of the sales promotion program fees you pay may go to the national marketing fund ("NMF"), and a portion may go to regional or designated [TV] market area ("DMA") level sales promotion

activities, "pooled" accounts for the benefit of a certain type of DQ® restaurant or store, or toward activities at an individual store level. ADQ has the right to establish and periodically change how the sales promotion program fees are allocated and spent without notice to you.

You must pay a sales promotion program fee up to 6% of Gross Sales on Orange Julius® branded products and 5% - 6% of Gross Sales on all other products, except as otherwise stated below. At the time of this disclosure document, the sales promotion program fee for Orange Julius® branded products is at 5% for Street locations and 1.25% for Captive-venue locations. ADQ has the right to increase the sales promotion program fee to an amount within the applicable range upon 90 days' notice. If you relocate a store under ADQ's relocation policy, you will be permitted to phase in to the fee structure of the new franchise agreement you sign, using the formula described in Item 6. If you are a conversion franchisee, you must pay a sales promotion program fee as set forth in the applicable conversion addendum in Exhibit C.

Company-operated restaurants will pay a sales promotion program fee on the same basis as similar franchisees for the DMA in which those restaurants are located, as described in Item 6. Other franchisees pay greater, lesser or no sales promotion program fees.

ADQ receives a portion of the sales promotion program fee payments made by franchisees to compensate ADQ for the sales promotion, marketing and administrative services that ADQ provides (the "management fee"). Currently, the management fee is computed as 7% of sales promotion program fee payments received. ADQ does nottake a management fee on sales promotion program fees above 3% of gross sales. For those franchisees that pay sales promotion program fees to territory operators, the territory operators remit all or some of those fees to ADQ and territory operators may retain a portion of the management fee, depending on the arrangement the territory operator has with the franchisee. In addition, ADQ takes 7% of all outside vendor payments received from agreements negotiated by ADQ. As a voluntary corporate contribution, 1/7 of ADQ's total management fees are currently credited on an annual basis to the DQ® national marketing program budget for use as ADQ designates.

#### **Sales Promotion Activities**

Sales promotion activities may be national, regional or local in scope. ADQ's marketing department is responsible for the development of the sales promotion activities for all DQ® brands, including system marketing calendars ("SMCs"). The SMCs, and the creative and sales promotion materials created in support of the SMCs, are designed to increase consumer awareness and drive trial of DQ® products and promotions, build the customer base, increase customer visit frequency, and build the DQ® brand overall. The SMCs consist of promotions and events designed to allow the DQ® system, on a market by market or national basis as determined by ADQ, to convey a uniform marketing message. The SMCs are used as the foundation for media plans in the DQ® system. Other sales promotions. ADQ uses various forms of media to promote the DQ® system, brand and products, which may include broadcast or cable television, radio, newspaper inserts, ads in newspaper/shoppers, magazines, billboards, various in-store materials, exterior merchandising, various local restaurant marketing materials, online communication, social media, electronic or mobile media, and new forms of media depending on the objectives. Because you sell a smaller number of DQ® items from your DQ® Treat store compared to some of the other

DQ® concepts, such as a DQ Grill & Chill® restaurant, your sales promotion materials will not include all DQ® materials nor may all DQ® promotional activities apply to your DQ® Treat store. ADQ currently uses a national advertising agency to assist it in the development, production and national media placement of many of the DQ® creative materials. ADQ also currently uses regional advertising agencies in connection with regional and local media placement and other sales promotion activities.

Currently, ADQ's regional sales promotion activities are carried out based on a DMA concept. A DMA is a geographic area of counties in which consumers within the area view a majority of their TV viewing via the home market stations also within that geographic area. There are currently 210 DMAs in the U.S. The DMA is determined by an independent research and ratings service called Nielsen Media Research which conducts research on consumer TV viewing patterns in each county in the United States. All of the counties (and therefore all of the DQ® restaurants and stores within these counties) that share the same TV influence are grouped into the same DMA. ADQ has the right to discontinue use of the DMA system for determining regional boundaries, or may determine that 2 or more DMAs will be grouped together for purposes of regional sales promotion activities.

ADQ may also spend sales promotion program fees by component or type of DQ® restaurant or store, by local market or DMA market or region, or for concept-specific marketing production, materials and programs and promotions. ADQ has the right to develop specialized marketing pools or programs in the future. Finally, ADQ may also set aside some of the sales promotion program fees paid by individual stores to be spent by those individual stores at the local level, in accordance with a reimbursement program or online credit system. ADQ has the right to determine the allocation of sales promotion program fees, materials and activities as between national, regional, local, or individual store efforts, and this allocation can change with or without notice to you.

You may use only the sales promotion or other advertising materials that ADQ furnishes or makes available to you, or other materials that ADQ approves for use in your sales promotion activities. Examples of sales promotion and other advertising materials that ADQ must approve prior to your use include menu board transparencies, counter mats, counter mat inserts, posters, billboard paper or vinyl, newspaper inserts, lawn signs, banners, menu board or register toppers, window clings, cake freezer merchandising, stanchions/display point-of-purchase, TV and radio creative, online communication, electronic or mobile media, loyalty programs, and direct mail. ADQ will not unreasonably withhold approval of any sales promotion or other advertising materials that you propose to use, as long as your materials are factually accurate, current, in good condition, in good taste, of like quality to and not in conflict with sales promotion and other advertising materials ADQ furnishes or makes available to you, and accurately depict the products and Trademarks. Any social media advertising or mobile marketing you do must comply with ADQ's social media policy. ADQ owns, can use and permit others to use any sales promotion or other advertising materials, ideas, concepts or programs you develop. As of the date of this disclosure document, ADQ does not require you to participate in any formal local or regional advertising cooperative.

#### National Marketing Fund

ADQ administers national sales promotion activities (including point of purchase materials) through a dedicated NMF. Sales promotion program fees are used at the national level through the NMF to develop and pay for the production of creative and other materials to support the SMCs,

and also to fund national media and various other sales promotion activities at the national level, as well as other activities within the overall DQ® and Orange Julius® systems. The NMFs are funded principally from an allocation of the sales promotion program fees paid by participating restaurants and stores. The percentage allocated to the NMF may vary between restaurants and stores and between markets. ADQ has the right to establish and periodically change the amount of sales promotion program fees that are allocated to an NMF with or without notice to you.

Sales promotion and other advertising and merchandising materials produced by the NMFs are, by design, licensed only to current NMF participating restaurants and stores and may not be transferred to or used in any way by or in non-NMF participating restaurants and stores. This means that if a franchisee owns both participating-NMF and non-participating-NMF restaurants or stores, NMF materials may only be displayed in those restaurants and stores paying the NMF fee.

#### **Franchise Advisory Council**

The franchise advisory council ("FAC") advises ADQ on marketing, advertising and other matters, but solely in an advisory capacity. As of the date of this disclosure document, the FAC is comprised of members that are chosen or elected in the following manner: (1) DMA chairpersons (elected by franchisees) from each of ten U.S. regions elect one DMA chairperson to serve as the region's representative on the FAC; (2) the Canadian Franchise Advisory Council ("CFAC"), elected by Canadian franchisees, selects two representatives from the CFAC to represent the east and west regions of Canada; and (3) the Dairy Queen Territory Operator Organization ("DQTOO") or the DQTOO board, elected by territory operators, chooses two territory operator representatives. ADQ reserves the right to appoint two "at large" franchisee members to the FAC. Further, ADQ reserves the right to form committees that will work with the FAC at any time on any matter. ADQ has the power to form, change, or dissolve the FAC or any of its committees, and has the right to change how franchisee membership on the FAC or any committee is determined.

#### **Use of Funds**

The accounting for the funds used for DQ® national and DMA activities and materials are reviewed by an independent national accounting firm on an annual basis. This "review" consists principally of applying analytical procedures to the financial data and of making inquiries of persons responsible for financial and accounting matters. ADQ currently makes available to DQ® franchisees a copy of the annually prepared statements of contributions, expenditures and balance for the national (NMF), DMA (consolidated) and individual DMA in which your restaurant is located along with the Independent Accountants' Review Report. In addition, each DMA can request that an audit of its DMA activities be conducted at the expense of that DMA. Orange Julius® sales promotion program fees are accounted for by ADQ on an annual basis and a statement of contributions, expenditures and balance is prepared by ADQ and available for review. ADQ annually convenes a committee from the FAC to conduct their own review of the accounting for the marketing funds applicable to each system.

Use of the combined sales promotion payments from all types of DQ® businesses in the 2022 fiscal year is as follows:

Percentage spent on Production	16.8	%
Percentage spent on Media Placement	70.2	%
Percentage spent on Administrative Expenses	4.3	%
Percentage spent on Other <sup>(1)</sup>	8.7	%
TOTAL	100.0	%

(1) Includes amounts spent on audits, the Children's Miracle Network, certain point-of-sale items, research and FAC expenses.

The above percentages vary if you calculate the allocations at the individual restaurant level, by area or group of restaurants, or by type of DQ® business.

Use of the payments made to Orange Julius<sup>®</sup> sales promotion programs in the 2022 fiscal year is as follows:

Percentage spent on Production	59.6	%
Percentage spent on Media Placement	19.6	%
Percentage spent on Administrative Expenses	17.9	%
Percentage spent on Other	2.8	%
TOTAL	100.0	%

Except as described in this paragraph, DQ<sup>®</sup> and Orange Julius<sup>®</sup> sales promotion program fees not spent in a fiscal year will be carried over for future use. In addition to its other programs, ADQ has the right to offer a local reimbursement or online credit program to certain franchisees if ADQ determines that the reimbursement is warranted for a particular restaurant or store. The availability of this program for a restaurant or store may be for a variable period of time and a variable amount of money, depending on the individual circumstances. If ADQ establishes such a program for your store, you may request reimbursement (or online credit, depending on the system available) of all eligible types of local media, promotions and promotional items you purchase up to the amount that has been determined by ADQ for your store. Unreimbursed funds at the end of the applicable period will not be carried over for future use by the particular restaurant, but will be used for other sales promotion activities in the DQ<sup>®</sup> and Orange Julius<sup>®</sup> systems, as determined by ADQ.

DQ® sales promotion program fees are not used for advertising principally directed at the sale of franchises.

#### **Electronic Cash Registers; Computer Systems**

You must purchase, install and maintain an electronic point-of-sale ("EPOS") system at your store, as designated by ADQ. The EPOS system includes designated hardware, software, peripherals, a managed firewall and installation. If you are opening a new restaurant, you must purchase all of the components of the EPOS system from ADQ's designated vendors (see Item 8). The estimated initial cost to purchase the EPOS system hardware and installation from ADQ's designated supplier ParTech, Inc., and hardware for the Acumera managed firewall will range from \$20,000 to \$24,600.

The EPOS system is an electronic cash and credit management system, which provides an interface for processing customer orders, collecting and managing information about the nature of sales transactions, and providing financial records of those transactions. The optional backoffice software provides certain reports, product inventory management, and time and attendance functionality for your employees. The EPOS system will collect and report to ADQ a variety of information including overall sales, sales levels by item, item menu pricing, product movement statistics, individual unit and category sales data (including by flavor and size), various financial information to prepare store reports, and other information.

Neither ADQ nor any affiliate is obligated to provide ongoing maintenance, repairs, upgrades or updates to you. You are required to purchase from ADQ's designated vendor and pay for ongoing hardware warranty services for your EPOS system for \$34 to \$113 a month depending on the warranty package you choose. In addition, as part of the ongoing software fees you will pay to some of the designated vendors, the vendors are obligated to provide certain maintenance and repair services for their software. You are required to make periodic upgrades and updates to the EPOS system, and there are no contractual limitations on the frequency and cost of this requirement.

In addition to the initial costs for the EPOS system, there are required monthly service fees for the ParBrink software for the EPOS system ranging from \$284 to \$306 a month. Help desk and software support costs are included in this monthly fee.

To enable ADQ's access to your EPOS system, you must install one DSL or cable/broadband internet connection, or other necessary communication access device, that is exclusively designated and permanently connected to your EPOS system. There are no contractual limitations on ADQ's right to access the information generated by your EPOS system, although ADQ may choose not to poll information from all restaurants and stores. You must have access at all times to the internet, and must maintain and regularly use an active email account or other form of electronic communication that ADQ designates and keep ADQ informed of your contact information.

You must purchase and maintain a monthly subscription service for credit card processing, which includes the TransArmor solution encryption, from ADQ's designated provider Fiserv (formerly, First Data) and you must sign the merchant processing application and agreement included in this disclosure document as Exhibit F. The cost for the credit card processing services is approximately 2% - 5% of the total amount of each sale made using an approved credit card and the cost for the TransArmor Solution is \$19.95 per month. You must also purchase and pay for Verifone payment card data encryption services at a cost of approximately \$8 per terminal per month and Verifone payment device warranty at a cost of approximately \$80 per device for a 3 year warranty. You must also purchase and maintain a managed firewall service from ADQ's designated provider Acumera. The cost for these services is approximately \$50 per month. Also, you must comply with the Payment Card Industry (PCI) Data Security Standards: https://www.pcisecuritystandards.org/. While you are not required to hire a third party contractor to ensure compliance with the PCI Data Security Standards (unless otherwise required to do so by your card processor), ADQ recommends you do so and estimates the initial cost of this to be \$200 - \$2,000, with an ongoing monthly fee of up to \$100.

You are required to participate in the system-wide gift card program administered by ValueLink, LLC and DQGC, and must sign the gift card participation agreement included in this disclosure document as Exhibit E. Gift card program fees are allocated based on a shared cost model between franchisees and the NMF. Currently, franchises pay fees equaling 3% of total gift card redemptions, which ADQ estimates will be about \$200 per year per location. NMF covers the balance of the gift card program's costs. In the future, the percentage allocation of costs between franchisees and NMF may change. These costs are in addition to any costs incurred by you in purchasing gift cards.

All of the fees referenced in this section are to subject to change from time to time.

#### Site Selection and Development Time

You must locate and obtain a site that meets ADQ's standards and criteria and that is acceptable to ADQ within 90 days after the date ADQ approves your franchise application. The general site selection and evaluation criteria you should consider include the quality of the trade area and the strategic fit of the site within the trade area, residential and daytime employment, attributes of the trade area that generate potential traffic and traffic patterns, ease of ingress and egress, pedestrian access and convenience, physical attractiveness of the host building or real estate, end-cap with drive-thru capability on shopping centers and fuel centers, demographic information and consumer behavior information, competition, signage, site and building design requirements or restrictions, local marketing support and similar factors. You must obtain ADQ's approval of the building plans and location prior to commencing construction of the store. In certain circumstances, ADQ may identify a site and may assist in purchase or lease negotiations. You are under no obligation to accept the proposed site. ADQ's identification of, or consent to, a site does not constitute a guarantee, recommendation, assurance or endorsement as to the success of the site or your store. ADQ's consent indicates only that ADQ believes that the particular site falls within its criteria as of the time period encompassing the evaluation. Application of site criteria that have been effective for other sites does not predict the potential success of any specific site.

From the time you submit a site to ADQ for consideration, ADQ will generally respond within 60 days, or less, depending on the status of negotiations to secure the site, the level of ADQ's involvement in the identification of the site, and other factors. If you and ADQ are unable to agree to a site within 90 days of ADQ's approval of your franchise application, ADQ has the right to retract the application approval and to refund your initial franchise fee less a cancellation fee of \$5,000 or ADQ's expenses, whichever is greater.

The typical length of time between ADQ's acceptance of the franchise agreement and the opening of your business varies from 4 to 8 months. This period can be longer or shorter depending upon the time of year, availability of and securing financing, preparation of full building plans for permitting, municipality approval process, how quickly your site is identified and secured, development stage of the shopping center or mall, local construction delays, how soon your managers are selected and attend training, or other factors. You should not expend funds or make any other commitment in connection with the franchise and should not resign from employment, relocate or take any similar action until ADQ's final acceptance of your application and written approval of the franchise.

#### Training

There are currently three required components to training: (1) the MTRA; (2) SERVSAFE certification; and (3) ADQ's training program, which is made up of 3 phases. The following individuals must pass the MTRA, obtain SERVSAFE certification and successfully attend ADQ's training program (as defined in Item 15 and referred to as "required attendees"): your designated manager and one assistant manager if you are developing your first DQ® Treat store, or your designated manager if you are an ARD franchisee.

ADQ's training program is summarized in the tables below, and ADQ has the right to periodically alter the training program.

Subject <sup>(3)</sup>	Hours of Classroom Training	Hours of On- The-Job Training	Location <sup>(4)</sup>
<b>Product &amp; Equipment and</b> Service, Management, and Financial Basics <b>Training (Phases 1 and 2)</b> <sup>(1)</sup>			
Store Operations (product preparation, equipment, shift positions work experience)	0	32	
Customer Service	0	2	
Store Operations (shift positions, managing shifts, management function modules)	0	92	
Sanitation	0	2	At a DQ®
Safety	0	2	location
Marketing	0	2	
Financial Management (cash management, recordkeeping)	0	2	
Register/Back Office System	0	8	
<b>People, PRIDE and Profit Training (Phase 3)</b> <sup>(2)</sup> Facility Management (service profit chain, DQ			
Capability Model function)	3	0	
Human Resource Management (training, supervising, retaining, coaching, evaluating)	7	0	Classroom in
Customer Service/PRIDE/Speed of Service/Local Marketing	4	0	Minneapolis, MN, or other
Situational Leadership	8	0	location ADQ
Goals/Change Management/ Time Management	4	0	designates
Financial Management (cost of goods sold, recordkeeping, labor cash management, controllables)	6	0	
Total:	32	142	

# TRAINING PROGRAM

(1) Product & Equipment and Service, Management, and Financial Basics Training (phases 1 and 2) is scheduled as close to the projected date of your opening as is reasonably possible, must be completed within 6 months prior to your opening, and lasts about 2 1/2 weeks. For ARD locations, if a training attendee has at least 12 months prior experience as a manager of another DQ®

restaurant or store, that individual may be given the opportunity to test out of some or all of phase 1 and phase 2; see Item 7 for costs.

- (2) People, PRIDE and Profit Training (phase 3) lasts 4 days and must be completed before opening.
- (3) The instructional materials used are reference material packets, workbooks, hands-on demonstrations and practice in the training location, reviews, lectures, exams, classroom discussion, product knowledge tests, and skill assessments. Phases 1 and 2 are taught by restaurant training specialists, and phase 3 is taught by a field training consultant. Students are required to bring a laptop computer or tablet capable with internet access to in-store training.
- (4) Phases 1 and 2 occur in DQ® locations certified and designated by ADQ and owned by either franchisees or ADQ's affiliates. Phase 3 occurs in ADQ's franchisee support center or another location designated by ADQ. ADQ may, but is not required to, conduct phase 3 training online or virtually if circumstances warrant.

Your required attendees must successfully complete each phase of ADQ's training program to ADQ's satisfaction. ADQ will evaluate your required attendees based on attendance, participation, presentations, progress in the training program, leadership, and other similar factors. Attendees who fail to fulfill these standards, or who violate ADQ's code of conduct for the training program, may be prohibited from completing ADQ's training program. You will not be allowed to open and operate your store until all required attendees complete all required training components.

Daniel Kropp oversees all of ADQ's training programs and has done so in his capacity as Chief Operating Officer or Executive Vice President, U.S. Operations since November 2011. ADQ or IDQ has employed Mr. Kropp in various management positions since 1996. As of the date of this disclosure document, ADQ's training department consists of a Director of Training and 7 field training consultants, who have experience ranging from 10 to 38 years, and 20-40 restaurant training specialists who may be employed by ADQ or a franchisee. Although experience varies among restaurant training specialists, all are required to successfully complete ADQ's certified trainer training program.

Prior to attending ADQ's training program, your required trainees must pass the MTRA, which is administered by a third party at a location designated by ADQ. The MTRA measures leadership, customer service, decision-making, prioritizing and business math, and may be modified by ADQ at any time. If a trainee fails the MTRA, the test may be repeated after 30 days; if the trainee fails the MTRA on the second attempt, the test may be repeated after one year. No trainee may repeat the MTRA more than three times. Your required attendees must also have current SERVSAFE certification, which will only be recognized by ADQ if received through a course that is part of or equivalent to the National Restaurant Association's SERVSAFE program. SERVSAFE courses are offered online, and at various universities, vocational schools and community colleges.

You must pay for ADQ's training program (either through the initial franchise fee or otherwise, depending on your circumstances) prior to sending any attendees. You are responsible for paying any training fees, costs, travel, living expenses, salaries, benefits and other expenses associated with sending your attendees to ADQ's training program, the MTRA, and a SERVSAFE course; see Item 7 for a cost estimate.

If you are relocating a restaurant under ADQ's relocation policy, you must comply with the thencurrent training requirements and pay all related costs and fees. What, if any, aspects of training your required attendees must complete will depend on your individual circumstances.

If you receive a default notice and the default relates, in whole or in part, to your failure to meet any operational standards, ADQ has the right to require you to comply with ADQ's additional training requirements at your expense and at the then-current training fees as a condition of curing the default.

The franchisee's controlling owner (as defined in the franchise agreement) must, at your expense, attend all meetings ADQ holds or sponsors in your area or region including all DMA or other marketing area meetings, and all meetings relating to new products or product preparation procedures, new DQ® system programs, new operational procedures or programs, training, store management, financial management, sales or sales promotion, or similar topics.

#### Item 12: Territory

#### **Rights under Franchise Agreement**

When you enter into a franchise agreement, you are granted the right to operate a single store at an authorized location that ADQ has consented to in writing. You are not granted any minimum area or territory. If you must relocate because the franchised premises are condemned, exercise of a relocation right by your landlord, or some other reason that ADQ approves, you may relocate on the following conditions: (1) the new location must be acceptable to ADQ, reasonably suited for a DQ® Treat location, consistent with ADQ's site selection guidelines, and within the same building or venue as the authorized location if a Captive-venue location, or within a 500 meter radius of the authorized location if a Street location; (2) the new site must not infringe on the rights of any other DQ® franchise; (3) the new store must be under construction within 30 days if a Captive-venue location or 180 days if a Street location; (4) after construction commences, the new store must be open and operating within 90 days if a Captive-venue location or 120 days if a Street location; and (5) the new store must be constructed and equipped in accordance with ADQ's then current standards and specifications.

ADQ has a relocation policy that permits qualifying franchisees with a Street location that sign a new franchise agreement and the relocation addendum to relocate a store within two miles of the current store location, provided the location is of the same type. For instance, a Street location outside of a mall cannot relocate within a mall. The timeframes detailed in the paragraph above apply to this relocation policy. Relocating franchisees do not need to pay an initial franchise fee, although relocating franchisees must meet the then-current training requirements (including payment of any fees and/or costs) and must purchase construction consultation services and prototype building plans (if the location is freestanding). See Item 7 for more information on these costs. Relocating franchisees may pay reduced continuing license fees and sales promotion program fees, depending on the circumstances. See Item 6 for more information. The relocation policy is subject to ADQ's prior written consent and the other relocation standards contained in the franchise agreement and any applicable lease (see Item 9). The relocation policy does not apply to non-system food or Captive-venue locations.

You do not have any options, rights of first refusal or similar rights to acquire additional franchises.

ADQ does not grant exclusive territories to any franchisee under the terms of a franchise agreement. In the past, ADQ did grant franchise agreements with protected territories, including territory operator agreements, which allow territory operators to operate restaurants and stores for their own account and to subfranchise third parties to operate restaurants and stores within their territories. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that ADQ owns, or from other channels of distribution or competitive brands that ADQ controls. Consider carefully the implications of a site-only franchise, and review closely the section below regarding ADQ's and its affiliates' rights.

#### ADQ's and its Affiliates' Rights

ADQ and its affiliates have the right to operate and grant others the right to operate competing business under the Trademarks, any affiliate's trademarks, or any other trademarks at any location but your store's authorized location. These locations may include freestanding buildings and facilities, strip centers, shopping malls, and other similar locations. These locations also may include transportation terminals, sports facilities, recreation areas, hotels, hospitals, campus facilities, and other non-traditional locations. You do not have any right to exclude, control or impose conditions on the location or development of future restaurants or stores franchised by others or owned and operated by ADQ or its affiliates.

ADQ and its affiliates also have the right to sell or distribute, themselves or through designees, products and services through any distribution channels or methods, including the internet (or any other existing or future form of electronic commerce such as social media, mobile applications, third party platforms and the metaverse), catalog sales, telemarketing or other direct marketing and pre-packaged retail sales using the Trademarks, or any other trademarks, service marks, trade names and commercial symbols, without any compensation to franchisees.

There are no territorial or customer restrictions on your sales from your store, and you are not required to compensate other franchisees, nor are you entitled to receive compensation from other franchisees or ADQ based on sales from a restaurant or store. You are not, however, granted any right under any franchise agreement to sell products and menu items identified by the Trademarks, or any of ADQ's affiliates' trademarks, or any other trademarks: (1) at any location other than your store; or (2) through resale or any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce such as social media, mobile applications, third party platforms and the metaverse), catalog sales, telemarketing or other direct marketing and pre-packaged retail sales, except as ADQ may authorize or require in writing for all or part of the franchise system.

As described in Item 1, ADQ and its affiliates offer franchises under different trademarks that sell some, but not all, products similar to those you will offer in your DQ® Treat store.

• **DQ Grill & Chill®.** ADQ offers single and multiple unit franchises under the DQ Grill & Chill® trademarks, which sell substantially the same soft-serve and treat products, but with a full food menu containing certain similar food products.

• **Texas DQ**® **Restaurant.** ADQ offers single and multiple unit DQ® restaurant franchises in Texas under the DQ® trademark, which sell substantially the same soft-serve and treat products, but not the same food products.

Neither ADQ nor its affiliates own or operate any DQ® Treat stores, Texas DQ® restaurants, or Orange Julius® stores. ADQ's affiliate, DQTR, owns and operates DQ Grill & Chill® restaurants, as described in Item 1. The DQ Grill & Chill®, DQ® Treat, Texas DQ® restaurant, and Orange Julius® franchises are all site-only franchises with no territory rights granted to franchisees (although certain multiple unit DQ Grill & Chill®, DQ® Treat or Texas DQ® restaurant franchisees may have a development or trade area under a multi-unit agreement). However, there are no territorial or customer restrictions on these franchisees' sales from their stores or restaurants. The principal business address for ADQ is 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437, and the companies have their combined training facilities and offices at that address.

ADQ occasionally is called upon to decide whether to grant a license for a new restaurant or store (whether under the DQ®, Dairy Queen®, or a different ADQ or affiliate trademark, as described above) in proximity to an existing store or restaurant. ADQ makes no commitment that ADQ will not establish new restaurants or stores in proximity to existing stores or restaurants. Nevertheless, there may be circumstances under which ADQ, acting within its exclusive and absolute right, may choose not to establish a new restaurant or store in proximity to an existing restaurant, as a means to resolve conflicts between franchisor and franchisee and the franchisees of each system and within each system.

As mentioned above, territory operators have the right to operate restaurants and stores for their own account and to subfranchise third parties to operate restaurants and stores within their territories. Territory operators may or may not have their own development and site clearance programs. Further, it is important to note that territory operators are not obligated to follow ADQ factors or guidelines when granting a license to operate a restaurant or store in close proximity to existing DQ® restaurants or stores.

#### Item 13: Trademarks

The franchise agreement licenses you to use certain DQ<sup>®</sup>, Dairy Queen<sup>®</sup> and other ADQ trademarks (the "Trademarks"). Listed below are the principal Trademarks, which are registered with the United States Patent and Trademark Office. ADQ also claims common law trademark rights for all of the Trademarks. ADQ has filed or intends to file all required affidavits and renewals for the trademarks listed below.

Principal Trademarks	U.S. Reg. No.	Principal/ Supplemental Register	Date of Registration
DAIRY QUEEN	0728894	Principal	03/20/62
DQ	3211469	Principal	02/20/07
	3046169	Principal	01/17/06
ORANGE JULIUS	3247123	Principal	05/29/07
<b>G</b> rangeJulius	3624481	Principal	05/19/09

ADQ identifies the Trademarks that you are licensed to use in the Operations Manual or otherwise in writing. ADQ has the right to change the Trademarks you are licensed to use periodically through changes to the Operations Manual, or otherwise in writing, any of which may be communicated electronically. Your use of the Trademarks and any goodwill is to ADQ's exclusive benefit and you retain no rights in the Trademarks other than a license to use the Trademarks during the term of your franchise agreement. You retain no rights in the Trademarks upon termination of your franchise agreement. You are not permitted to make any changes or substitutions of any kind in or to the use of the Trademarks unless ADQ directs in writing.

There are currently no effective material determinations by the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court, nor any pending infringement, opposition or cancellation proceeding. There is no pending material federal or state court litigation regarding ADQ's use or ownership rights in the Trademarks. There are currently no effective agreements that significantly limit ADQ's rights to use or license the use of the Trademarks in a manner material to the franchise. ADQ does not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where your franchised business will be located.

ADQ is not obligated to protect your right to use the Trademarks, or to protect you against infringement or unfair competition claims arising out of your use of the Trademarks, or to participate in your defense or indemnify you. ADQ has the right to control any litigation related to the Trademarks and the right to decide to pursue or settle any infringement actions related to the Trademarks. You must notify ADQ promptly of any infringement or unauthorized use of the Trademarks of which you become aware and cooperate with any action that ADQ undertakes; however, ADQ is not required by the franchise agreement to take affirmative action when notified of such uses. If ADQ determines that a claim by a party that its rights to use the Trademarks are superior and requires changes or substitutions to the Trademarks, you must immediately make the changes or substitutions required by ADQ at your expense. You do not have any rights under the franchise agreement if ADQ requires you to modify or discontinue using a trademark.

#### Item 14: Patents, Copyrights, and Proprietary Information

There are no patents or copyrights currently registered or pending patent applications that are material to the franchise offered, although ADQ claims copyright ownership and protection for the

franchise agreement and other franchise related agreements, the Operations Manual, and for various sales promotional and other materials published.

There are no current material determinations of the United States Copyright Office, the United States Patent and Trademark Office, or a court regarding the patent or copyright, nor any material proceeding pending in the United States Patent and Trademark Office or any court. There are currently no agreements in effect that limit the use of any patents or copyrights in a manner affecting you. ADQ knows of no patent or copyright infringement that could materially affect you.

ADQ is not obligated to protect you against infringement or unfair competition claims arising out of your use of any patents or copyrights, or to participate in your defense or indemnify you. ADQ has the right to control any litigation related to any patents and copyrights and the right to decide to pursue or settle any infringement actions related to the patents or copyrights. You must notify ADQ promptly of any infringement or unauthorized use of the patents and copyrights of which you become aware and cooperate with any action that ADQ undertakes; however, ADQ is not required by the franchise agreement to take affirmative action when notified of such uses. You do not have any rights under the franchise agreement if ADQ requires you to modify or discontinue using any subject matter covered by a patent or copyright.

You must keep all proprietary information confidential during and after the term of the franchise agreement, including the Operations Manual and product preparation materials. You must not duplicate or disseminate any proprietary information to any party other than, your employees who need to know such proprietary information, and you must comply with all changes to the Operations Manual at your cost. Upon termination of your franchise agreement, you must return all proprietary information to ADQ, including all copies of the Operations Manual and the product preparation materials then in your possession or control or previously disseminated to your employees, and all other copyright material. You must notify ADQ immediately if you learn about an unauthorized use of proprietary information, although ADQ is not required by the franchise agreement to take any action and has the right to determine the appropriate response to any unauthorized use of proprietary information.

#### Item 15: Obligation to Participate in the Actual Operation of the Franchise Business

You are required to operate your DQ® Treat franchise under your active and continuous supervision. If the franchisee is a business entity, the franchisee is required to have one owner who is responsible for overseeing the general management of the day-to-day operations of the location. If you are developing your first DQ® Treat location, you must have one designated manager and one assistant manager (ARD franchisees only need a designated manager) who have completed ADQ's training requirements in Item 11. Designated and assistant managers must personally invest their full time and attention and devote their best efforts to the on-premises general management of the day-to-day operations of the location, and meet ADQ's store or retail management experience requirements. Designated and assistant managers may not participate in the active operation or management of any other business.

You must ensure that any designated or assistant managers with access to confidential information (as defined in the franchise agreement) abide by the confidentiality obligations in the franchise

agreement. Also, a designated manager cannot directly or indirectly operate, permit to be operated, or hold any interest in a competitive business.

If the franchisee will be a business entity, all of its owners must sign the personal undertaking and guarantee attached to the franchise agreement. You must identify your owners in the Ownership Addendum and notify ADQ in writing of any change in the owners.

#### Item 16: Restrictions on What the Franchisee May Sell

ADQ requires you to offer and sell only those goods and services that ADQ has approved (see Items 8 and 9). In addition, you may offer and sell these approved goods and services only from your store (see Item 12). Any failure to comply with these requirements or to meet product quality standards may result in termination of your franchise agreement (see Item 17).

You must carry the required menu items that ADQ designates for your business. If you are a conversion franchisee, you must cease selling any non-system food items. ADQ has the right to determine the authorized menu for your store, based upon ADQ's evaluation of various factors, including customs or circumstances of a particular site or location, density of population, population of trade area, existing business practices, lease restrictions, and any other condition that ADQ deems to be of importance to the operation of your business or to the DQ® system. There are no limits on ADQ's right to make modifications to the approved menu and ingredients periodically through the Operations Manual, system bulletin or otherwise in writing, any of which may be communicated electronically. To the fullest extent the law allows, ADQ may require you to offer items on the menu at the maximum, minimum, or other prices that ADQ specifies. In order to carry certain optional menu items as approved by ADQ, ADQ has the right to require you to attend specialized training and/or purchase additional equipment. You might have to pledge additional funds to be used for advertising the optional products in your trade area. Other stores may carry different menu items than you carry in your store.

You must not sell, offer for sale or otherwise handle alcoholic or intoxicating beverages or controlled substances upon the store premises. You must not have or use, or permit the presence or use of, ATM, video game machines or vending machines or any like coin-operated or electronic device or machine upon the store premises. In addition, you must not offer, sell, use or participate in, any lottery or gambling device of any nature at or from the store premises. Your store must be smoke-free for all customers and employees, and you must post signs on all doors and throughout the store that announce the smoke-free policy.

# 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 franchise agreement	Summary
a. Length of the franchise term	Section 4.1	<ul><li>15 years, if for a new restaurant franchise;</li><li>The lesser of 15 years or the remaining term of the transferring licensee's franchise agreement, if the agreement is signed as a requirement of a transfer; or</li><li>The renewal term specified in the expiring franchise agreement, if the agreement is signed as a requirement of a renewal.</li></ul>
b. Renewal or extension of the term	Section 4.3	Renewal for one additional term for the shorter of 15 years or the remaining term of the lease.
c. Requirements for franchisee to renew or extend	Section 4.3	Give written notice of intent to renew; sign then-current form of franchise agreement, which may differ materially, including higher or additional fees; comply with modernization provisions in section 5.5; in good standing with no history of substantial noncompliance; have right to remain in possession of the restaurant premises throughout renewal period; pay renewal fee; sign a release; renewal restaurant location approved.
	Renewal Addendum	If renewing a franchise agreement dated before April 2007 with a 6% continuing license fee and a requirement to modernize, you must sign the renewal addendum and remain at 6% until the modernization is complete, when the fee will go down to 5%.
d. Termination by franchisee	Section 13.3	You may terminate the franchise agreement for a material breach after giving written notice and failure to cure within 30 days. Termination is effective 60 days after written notice.
e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with cause	Section 13.2	If you default.

Provision	Section in franchise agreement	Summary
g. "Cause" defined - curable defaults	Section 13.1 Section 13.2(A) Section 13.2(B)	Twenty-four hours to cure a default that materially impairs the goodwill of the trademarks, or that is a threat or danger to public health or safety. Ten days to cure any default for failure to timely provide required reports or pay amounts due. Thirty days to cure any default except those listed above or in "h" below.
h. "Cause" defined - non- curable defaults	Section 13.1 Section 13.2(C)	Lose right to occupy premises; failure to reopen after restaurant is destroyed or damaged; failure to reopen after relocation; abandonment; insolvency; conviction of an offense related to restaurant; intentionally understating or underreporting amounts due; third default within 12 months; you are named a specially designated national or blocked person as designated by the United States Department of the Treasury's Office of Foreign Assets Control.
i. Franchisee's obligations on termination/non- renewal	Section 13.2(D) Section 14	Stop using trademarks; pay amounts due; comply with noncompete; maintain confidentiality; pay termination fee.
j. Assignment of contract by franchisor	Section 11.6	No restriction on right to assign.
k. "Transfer" by franchisee - defined	Section 11.2	Includes a transfer of the restaurant, any restaurant assets or revenues, a direct or indirect ownership interest in the franchise agreement or restaurant, or a management agreement.
<ol> <li>Franchisor approval of transfer by franchisee</li> </ol>	Section 11.1 Section 11.4	All transfers must have consent, which will not be unreasonably withheld if all transfer requirements are met.

Provision	Section in franchise agreement	Summary
m. Conditions for franchisor approval of transfer	Section 11.3	Transferee meets requirements; pay transfer fee; amounts owed paid; compliance with franchise agreement; all owners of transferee sign guarantee; you sign a release; training requirements met; transferee signs then current franchise agreement, which may have materially different terms, including higher or additional fees; facility improvements and modernization completed; you agree to observe post-termination obligations; other conditions reasonably required.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 11.3(B)	Can match an offer to purchase the franchise agreement, restaurant, franchisee, or an owner, unless the proposed transfer results from insolvency or bankruptcy, then an appraiser will set the purchase price.
o. Franchisor's option to purchase franchisee's business	Section 14.5	Upon termination or expiration, franchisor may purchase or designate a third party to purchase the restaurant assets. An appraiser will determine the price.
p. Death or disability of franchisee	Section 11.2	Must comply with all transfer requirements.
q. Non-competition covenants during the term of the franchise	Section 10.5	No direct or indirect involvement in the operation of any quick service restaurant that serves hamburgers but does not serve alcohol, or a business that generates more than 10% of its revenue from sales of ice cream, yogurt, frozen custard, fruit-based beverages, soft-serve or other frozen treats ("Competitive Business").
r. Non-competition covenants after the franchise is terminated or expires	Section 14.6	No direct or indirect involvement in a Competitive Business within: 500 meters of the authorized location for one year after termination or expiration for Street location; or within same building or venue for Captive- venue location.
s. Modification of the agreement	Section 6.1 Section 6.11 Section 15.4	Modifications must be signed by both parties, but franchisor has right to change the menu, Operations Manual, and trademarks.

	Provision	Section in franchise agreement	Summary
t.	Integration/merger clause	Section 15.2	The franchise agreement, together with its addenda, and your franchise application are the sole agreement between the parties (subject to state law). However, nothing in those documents is intended to disclaim the representations made in this franchise disclosure document. Any representations or promises made outside these documents may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 12	Except for certain claims, all disputes must be arbitrated in Minneapolis, Minnesota or at another mutually agreeable place (subject to state law).
v.	Choice of forum	Section 15.9	Litigation must be in the Federal District Court for the District of Minnesota or in Hennepin County District Court, Fourth Judicial District, Minneapolis, Minnesota (subject to state law).
w	. Choice of law	Section 15.8	Applicable law is that of the state where authorized location is.

#### Sublease

The following table lists important provisions of the sublease. You should read these provisions in the sublease attached to this disclosure document.

	Provision	Section in Sublease	Summary
a.	Length of the sublease term	Section 1 and 8	Term of sublease will be established by DQF and will vary depending upon the prime lease
b.	Renewal or extension of the term	Section 9	No implied right to renew term of sublease
с.	Requirements for you to renew or extend	Not applicable (See "b" above)	Not applicable
d.	Termination by you	Not applicable	Not applicable
e.	Termination by DQF without cause	Not applicable	Not applicable
f.	Termination by DQF with cause	Section 4	DQF can terminate if you default

	Provision	Section in Sublease	Summary
g.	"Cause" defined - curable defaults	Section 4	You have 10 days after written notice to cure the failure to pay rental payments, 15 days after written notice to cure any other default under the sublease or franchise agreement and 30 days after the filing of a petition in bankruptcy or insolvency to have the petition vacated or withdrawn
h.	"Cause" defined - non-curable defaults	Not applicable	Not applicable
i.	Your obligations on termination/non- renewal	Sections 4 and 15	Obligations include surrendering the demised premises to DQF in good order and condition and with required insurance, removing your equipment and other personal property from demised premises and, if applicable, any leasehold improvements, repairing any damage to demised premises and paying all amounts due
j.	Assignment of contract by DQF	Section 29	No restriction on DQF's right to assign
k.	"Transfer" by you - defined	Section 6	Includes any transfer or assignment, in whole or in part, of your interests in the sublease; any sublease, in whole or in part, of the demised premises; and any permitted occupancy of the demised premises
1.	DQF's approval of transfer by you	Section 6	DQF has the right to approve all transfers in writing
m.	Conditions for DQF's approval of transfer	Section 6	At DQF's sole discretion
n.	DQF's right of first refusal to acquire your business	Not applicable	Upon termination or expiration of sublease, DQF retains possession of the demised premises in accordance with the prime lease
0.	DQF's option to purchase your business	Not applicable	Upon termination or expiration of sublease, DQF retains possession of the demised premises in accordance with the prime lease
p.	Your death or disability	Section 29	Sublease, including all benefits and obligations, will be binding upon and benefit your heirs, legal representatives, successors and assigns
q.	Non-competition covenants during the term of the sublease	Not applicable	May be subject to term in prime lease

	Provision	Section in Sublease	Summary
r.	Non-competition covenants after the sublease is terminated or expires	Not applicable	May be subject to term in prime lease
s.	Modification of the sublease	Section 1	DQF may modify the sums to be paid by the sublessor, the commencement and expiration dates of the sublease in accordance with the terms of the prime lease
t.	Integration/ merger clause	Section 33	Only the terms of the sublease, the prime lease and your franchise agreement are binding (subject to state law). However, nothing in those agreements is intended to disclaim the representations made in this franchise disclosure document.
u.	Dispute resolution by arbitration or mediation	Not applicable	May be subject to term in prime lease
v.	Choice of forum	Not applicable	May be subject to term in prime lease
w.	Choice of law	Section 26	Controlling law is that of the state in which the demised premises are located

# Item 18: Public Figures

ADQ does not use any public figure to promote the franchise. No public figure is involved in the actual management or control of ADQ.

#### Item 19: Financial Performance Representations

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections about your future income, you should report it to the franchisor's management by contacting Shelly H. O'Callaghan

at 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437 or by telephone at (952) 830-0308, the Federal Trade Commission, and the appropriate state regulatory agencies.

#### Item 20: Outlets and Franchisee Information

Included in this Item are tables for the following concepts: direct-licensed and subfranchised DQ® Treat, DQ® soft-serve only, and Dairy Queen®/Limited Brazier® stores.

Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Direct-Licensed Outlets
Systemwide Outlet Summary
<b>For Vears 2020 to <math>2022^{(1)}</math></b>

For Years 2020 to 2022 <sup>(1)</sup>							
		Outlets at the Start	Outlets at the				
Outlet Type	Year	of the Year	End of the Year	Net Change			
Franchised	2020	885	858	-27			
	2021	858	828	-30			
	2022	828	789	-39			
Company-Owned	2020	0	0	0			
	2021	0	0	0			
	2022	0	0	0			
Total Outlets	2020	885	858	-27			
	2021	858	828	-30			
	2022	828	789	-39			

(1) The totals include DQ® Treat, Dairy Queen®/Limited Brazier® and Dairy Queen® soft-serve only locations, which may have non-system food. The totals do not include subfranchised outlets operating under agreements with territory operators or outlets for any other franchise programs described in Item 1.

Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Direct-Licensed Outlets
Transfer of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2020 to 2022

State	Year	Number of Transfers					
Arizona	2020	1					
	2021	7					
	2022	0					
California	2020	1					
	2021	1					
	2022	3					
Colorado	2020	2					
	2021	4					
	2022	7					
Connecticut	2020	0					
	2021	2					
	2022	2					
Delaware	2020	0					
	2021	1					
	2022	0					

State	Year	Number of Transfers
Florida	2020	2
	2021	2
	2022	5
Hawaii	2020	0
	2021	0
	2022	1
Illinois	2020	6
	2021	1
	2022	2
Indiana	2020	1
	2021	0
	2022	2
Iowa	2020	1
	2021	1
	2022	2
Maine	2020	0
	2021	2
	2022	0
Maryland	2020	1
	2021	2
	2022	0
Massachusetts	2022	0
	2020	2
	2022	0
Michigan	2020	6
	2021	4
	2022	2
Minnesota	2022	2
	2021	5
	2022	2
Missouri	2022	2
	2021	0
	2022	
New Hampshire	2022	
	2020	
	2022	
New Mexico	2022	
	2020	
-	2021	1 0 0 2 0 0 1
New York	2022	0
	2020	1
-	2021	2
North Carolina	2022	4
	2020	8
F	2021	2
	LULL	۷

State	Year	Number of Transfers
North Dakota	2020	0
	2021	1
	2022	0
Ohio	2020	2
	2021	4
	2022	0
Oklahoma	2020	0
	2021	0
	2022	1
Pennsylvania	2020	1
	2021	1
	2022	4
West Virginia	2020	1
	2021	0
	2022	0
Wisconsin	2020	4
	2021	1
-	2022	2
Total	2020	37
	2021	50
	2022	43

#### Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Direct-Licensed Outlets Status of Franchised Outlets For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Termi- nations	Non- Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Arizona	2020	22	•	1	1			20
	2021	20						20
	2022	20						20
Arkansas	2020	1						1
	2021	1						1
	2022	1						1
California	2020	38						38
	2021	38		1				37
	2022	37		1	2			34
Colorado	2020	53			1			52
	2021	52		4	1			47
	2022	47						47
Connecticut	2020	26						26
	2021	26						26
	2022	26						26
Delaware	2020	4						4
	2021	4		1				3
	2022	3		1				2

Florida	2020	47	3			44
	2021	44	1			43
	2022	43				43
Georgia	2020	11	1			10
8	2021	10		1		9
	2022	9	2	1		6
Hawaii	2020	7		1		7
IIuwuii	2020	7				7
	2022	7		1		6
Idaho	2020	1		1		1
Iduito	2020	1				1
	2021	1				1
Illinois	2022	44	1			43
minois	2020	43	1	2		41
	2021	41	2	1		38
Indiana	2022	47	2	1		47
mulalla	2020	47	1			47
	2021	46	2			40
Iowa	2022	30	2			30
IOwa	2020	30				30
	2021	30				30
Kansas	2022	16	1			15
Kansas	2020	15	1			15
	2021	15				15
Kentucky	2022	6				6
Kentucky		6	1			5
	2021 2022	5	1			5
T						
Louisiana	2020	3				3
	2021	3	1			3
Maine	2022		1			
Maine	2020	15	1			14
	2021	14	1			13
<u> </u>	2022	13	-			13
Maryland	2020	20	3			17
	2021	17	1	2		16
N 1 ···	2022	16	2	3		11
Massachusetts	2020	18				18
	2021	18				18
	2022	18				18
Michigan	2020	116		1		115
	2021	115	4	1		110
	2022	110	2		 	108
Minnesota	2020	69	1		 	68
	2021	68			 	68
	2022	68	1			67
Missouri	2020	12	1	2		9
	2021	9				9
	2022	9				9

Nebraska	2020	2					2
	2021	2					2
	2022	2					2
Nevada	2020	6					6
	2021	6		1	1		4
	2022	4		1			3
New Hampshire	2020	6		-			6
rew munpshire	2020	6					6
	2022	6					6
New Mexico	2020	7		1			6
	2020	6		1			5
	2021	5		1			5
New York	2020	17					17
	2020	17					17
	2021	17					17
North Carolina	2022	43		2	1		40
	2020	40		2	1		39
	2021	39			1		39
North Dakota	2022	2					2
	2020	2					2
	2021	2					2
Ohio	2022	56		1			55
Ollio	2020	55		2			53
	2021	53		2	1		52
Oklahoma	2022	8			1		8
Oklanoma	2020	8		1			7
	2021	7		1			7
Oregon	2022	1					1
oregon	2020	1					1
	2021	1					1
Pennsylvania	2022	41		2			39
1 emisyivama	2020	39	4	2	1		40
	2021	40		3	1		36
Rhode Island	2022	1		5	1		1
Kilode Island	2020	1					1
	2021	1					1
South Carolina	2022	13		2			11
	2020	11		2			11
	2021	11		5			6
South Dakota	2022	2		5			2
South Dakota	2020	2					2
	2021	2					2
Tennessee		6					
Tennessee	2020	6					6 6
	2021	6		1			5
Tawas	2022			1			
Texas	2020	2		1			2
	2021	2		1			1
	2022	1					1

Utah	2020	4						4
	2021	4						4
	2022	4			1			3
Washington	2020	8		1				7
-	2021	7		3				4
	2022	4			1			3
West Virginia	2020	19						19
-	2021	19						19
	2022	19		1				18
Wisconsin	2020	35						35
	2021	35						35
	2022	35		2				33
Wyoming	2020	1						1
	2021	1						1
	2022	1						1
Totals	2020	886	0	22	6	0	0	858
	2021	858	4	26	8	0	0	828
	2022	828	0	27	12	0	0	789

(1) The following openings were conversions from another DQ® concept or acquisitions of a territory operator's rights in the store franchise agreements: 0 in 2020, 4 in 2021 and 0 in 2022.

(2) The following closings were conversions to another DQ® concept or acquisitions by a territory operator of the store franchise agreements: 3 in 2020, 1 in 2021 and 0 in 2022.

#### Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Direct-Licensed Outlets Status of Company-Owned Outlets For years 2020 to 2022

	For years 2020 to 2022										
State	Year	Outlets at	Outlets	Outlets	Outlets	Outlets	Outlets at				
		Start of	Opened	Reacquired	Closed	Sold to	End of the				
		Year	_	from		Franchisee	Year				
				Franchisee							
Totals	2020	0	0	0	0	0	0				
	2021	0	0	0	0	0	0				
	2022	0	0	0	0	0	0				

#### Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Direct-Licensed Outlets Projected Openings As of December 31, 2022

State	Franchise	Projected New	Projected New						
	Agreements	Franchised	Company-Owned						
	Signed But Outlet	Outlets In The	Outlets In The Next						
	Not Opened	Next Fiscal	Fiscal Year						
		Year							
Total	0	0	0						

The information provided below regarding subfranchised outlets is provided by territory operators and is not independently verified by ADQ.

## Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Subfranchised Territory Operator Outlets

#### Systemwide Outlet Summary For Years 2020 to 2022

		Outlets at the Start	Outlets at the End of the	
Outlet Type	Year	of the Year	Year	Net Change
Franchised	2020	394	397	3
	2021	397	389	-8
	2022	389	382	-7
Company-Owned	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Total Outlets	2020	394	397	3
	2021	397	389	-8
	2022	389	382	-7

# Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Subfranchised Territory Operator Outlets

#### Transfer of Outlets from Franchisees to New Owners (other than the Franchisor) For Years 2020 to 2022

State	Year	Number of Transfers
Arizona	2020	1
	2021	1
	2022	1
Illinois	2020	6
	2021	2
	2022	5
Iowa	2020	0
	2021	1
	2022	1
Minnesota	2020	0
	2021	0
	2022	1
Montana	2020	1
	2021	0
	2022	0
Nevada	2020	1
	2021	1
	2022	1

State	Year	Number of Transfers
New Jersey	2020	4
	2021	5
	2022	6
North Carolina	2020	1
	2021	0
	2022	0
Ohio	2020	1
	2021	1
	2022	0
Pennsylvania	2020	1
	2021	3
	2022	3
Wisconsin	2020	1
	2021	0
	2022	0
Total	2020	17
	2021	14
	2022	18

#### Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Subfranchised Territory Operator Outlets Status of Franchised Outlets For Years 2020 to 2022

							Ceased	
						Reacquired	Operations -	Outlets at
		Outlets at	Outlets	Termi-	Non-	by	Other	End of the
State	Year	Start of Year	Opened	nations	Renewals	Franchisor	Reasons	Year
Arizona	2020	34	4					38
	2021	38	1	1				38
	2022	38	1					39
Colorado	2020	1						1
	2021	1						1
	2022	1						1
Florida	2020	15		1				14
	2021	14						14
	2022	14		1				13
Illinois	2020	78						78
	2021	78	1	1				78
	2022	78		1				77
Iowa	2020	26						26
	2021	26						26
	2022	26						26
Massachusetts	2020	3						3
	2021	3						3
	2022	3						3

Minnesota	2020	14						14
	2021	14						14
	2022	14		1				13
Montana	2020	5		1				4
	2021	4		1				3
	2022	3						3
Nebraska	2020	5						5
	2021	5		1				4
	2022	4		1				3
Nevada	2020	10	2					12
	2021	12	1					13
	2022	13						13
New Jersey	2020	67	1					68
	2021	68		2				66
	2022	66		2				64
North Carolina	2020	12					3	9
	2021	9						9
	2022	9						9
North Dakota	2020	5						5
	2021	5						5
	2022	5						5
Ohio	2020	35	1					36
	2021	36		1				35
	2022	35						35
Pennsylvania	2020	48	2	1				49
	2021	49	1	4				46
	2022	46		2				44
South Dakota	2020	3		1				2
	2021	2						2
	2022	2						2
Virginia	2020	30						30
-	2021	30		1				29
	2022	29		1				28
Wisconsin	2020	3						3
	2021	3						3
	2022	3						3
Totals	2020	394	10	4	0	0	3	397
	2021	397	4	12	0	0	0	389
	2022	389	1	9	0	0	0	381

- (1) The following openings were conversions from another DQ® concept or acquisitions by a territory operator of the store franchise agreements: 0 in 2020, 1 in 2021 and 0 in 2022.
- (2) The following closings were conversions to another DQ® concept or acquisitions of a territory operator's rights in the store franchise agreements: 5 in 2020, 4 in 2021 and 1 in 2022.

Dairy Queer	Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Subfranchised Territory									
<b>Operator Outlets</b>										
Status of Company-Owned Outlets										
	For years 2020 to 2022									
State	Year	Outlets at	Outlets	Outlets	Outlets	Outlets	Outlets at			
		Start of	Opened	Reacquired	Closed	Sold to	End of the			
		Year	_	from		Franchisee	Year			
				Franchisee						
Totals	2020	0	0	0	0	0	0			
2021 0 0 0 0 0										
	2022	0	0	0	0	0	0			

#### Dairy Queen®/Limited Brazier®, DQ® Treat & DQ® Soft-Serve Only Subfranchised Territory **Operator Outlets Projected Openings**

Trojecicu	Οþ	um	ngs
As Of Decem	ber	31,	<b>2022</b> <sup>(1)</sup>

A

Franchise	Projected New	Projected New						
Agreements	Franchised Outlets	Company-Owned						
Signed But In The Next Fiscal		Outlets In The						
Outlet Not	Year	Next Fiscal Year						
Opened								
	Agreements Signed But Outlet Not	AgreementsFranchised OutletsSigned ButIn The Next FiscalOutlet NotYear						

(1) Territory operators are not contractually required to provide ADQ with information for their projected openings. Therefore, we are unable to provide this information.

States not listed in the tables above had no activity of the kind described. Except as noted in this Item, neither ADQ nor any of its affiliates operate any company-owned outlets substantially similar to that offered under this disclosure document. In addition, no person listed in Item 2, their immediate families or any business entities owned by them operate any company-owned outlets.

Included in this disclosure document as Exhibit J is a list of all operational direct-licensed and subfranchised DQ® Treat store and DQ® soft-serve only franchises as of December 31, 2022. Included as Exhibit K is a list of all franchisees who have had a direct-licensed and subfranchised DQ® Treat, DQ® soft-serve only, or Dairy Queen®/Limited Brazier® franchise terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the 2022 fiscal year or who have not communicated with ADQ within ten weeks of the disclosure document issuance date. This does not include franchisees who close their seasonal restaurants or stores for part of the year, or those franchisees with old franchise agreements who are not required to pay fees or submit reports to ADQ. There are a total of 47 former franchisees or subfranchisees listed in Exhibit K: 38 DQ® Treat or Dairy Queen®/Limited Brazier® franchisees and 9 DQ® Treat or Dairy Queen®/Limited Brazier® territory operator subfranchisees. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, during the last three fiscal years, current and former franchisees have signed provisions restricting their ability to speak openly about their experience with ADQ. You may want to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you about certain aspects of a dispute or their experience with ADQ.

The Franchise Advisory Council ("FAC") is sponsored by ADQ. You can reach the organization at 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437, Minneapolis, MN 55439, ADQ contact: Maria Hokanson, (952) 830-0200, maria.hokanson@idq.com (no website dedicated to council). ADQ also sponsors the Supply Chain Advisory Council ("SCAC"), currently with all members elected by franchisees, although ADQ may appoint an "at large" member. The business address for the SCAC is the same as for the FAC, and the ADQ contact is Scott Muyres, (952) 830-0200, scott.muyres@idq.com (no website dedicated to council). The following independent franchisee organizations have asked to be included in this disclosure document: Dairy Queen Operators' Association, Inc., 1719 Lake Drive West, Chanhassen, MN 55317, telephone: 952-556-5511, email: dqoa@dqoa-dqoc.com, website: www.dqoa-dqoc.com; Dairy Queen Operators' Cooperative, 1719 Lake Drive West, Chanhassen, MN 55317, Telephone: 952-556-5511, Email: dqoa@dqoa-dqoc.com, Website: www.dqoa-dqoc.com; and Texas Dairy Queen Operators' Council, 2120 Forum Parkway, Bedford, TX 76021, Telephone: 817-283-2619, Email: lromanus@dqtexas.com, Website: www.dqtexas.com.

#### Item 21: Financial Statements

The following audited financial statements of IDQ are included in this disclosure document as Exhibit L: consolidated balance sheets of IDQ at December 31, 2022 and 2021 and related consolidated statements of income and comprehensive income, stockholder's equity and cash flows for each of the years ended December 31, 2022, 2021 and 2020, together with the independent auditor's report.

These financial statements are the consolidated financial statements of IDQ, the parent corporation of ADQ and its other subsidiaries. ADQ's separate financial statements are not included in this disclosure document. Should ADQ fail to fulfill its obligations to its franchisees, however, IDQ unconditionally guarantees to fulfill such obligations. A copy of IDQ's written Guarantee of Performance is included in Exhibit L.

#### Item 22: Contracts

This disclosure document includes a sample of the following contracts:

- Exhibit B Operating Agreement with Undertaking and Guarantee, Ownership Addendum, Relocation Addendum, Renewal Addendum, and State Specific Addenda - Illinois, Minnesota, North Dakota, Washington and Wisconsin
- Exhibit C Conversion Addenda
- Exhibit E Gift Card Program Agreements
- Exhibit F Design Services Agreement
- Exhibit G Construction Consultation Services Agreement
- Exhibit H Sublease

As a prospective franchisee, you should obtain such independent legal and financial advice concerning the franchise offering as you deem appropriate before making any commitment.

# Item 23: Receipts

Attached as Exhibit M to this disclosure document are two copies of a detachable acknowledgment of receipt.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF CALIFORNIA

The following information applies to franchises and franchisees subject to the California Franchise Investment Act. Item numbers correspond to those in the main body.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AND COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

- 1. <u>Items 6 and 17</u>.
  - A. Neither we nor any person described in Item 2 of the Disclosure Document is subject to any currently effective order of any National Securities Association or National Securities Exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq. suspending or expelling such persons from membership in such association or exchange.
  - B. The Operating Agreement may contain a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- 2. <u>Item 17</u>.
  - A. California Business & Professions Code Sections 20000 through 20043 provide rights to you concerning termination or nonrenewal of a franchise. If the Operating Agreement contains a provision that is inconsistent with the law, the law will control.
  - B. Termination of the Operating Agreement by ADQ because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).
  - C. The Operating Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
  - D. The Operating Agreement requires binding arbitration. The arbitration will occur at Minneapolis, Minnesota or at such other place as may be mutually agreeable to the parties with the cost being borne by the nonprevailing party. The prevailing party is entitled to recover its reasonable attorneys' fees and costs of the arbitration. You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act)

to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

E. The Operating Agreement requires franchisee to execute a general release of claims upon renewal or transfer of the Operating Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order there under is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

# 3. <u>Additional Disclosure</u>

Section 31125 of the California Corporation Code requires ADQ to give you a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF ILLINOIS

The following information applies to franchises and franchisees subject to the Illinois Franchise Disclosure Act of 1987. Item numbers correspond to those in the main body.

1. <u>Cover Page and Item 17</u>.

For Illinois franchisees, Illinois law, 815 ILCS 705/19 and 705/20, governs the franchise agreement. The conditions under which the franchise can be terminated and rights upon nonrenewal may be affected by Illinois law. Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void provided that a franchise agreement may provide for arbitration in a forum outside Illinois.

- 2. <u>Item 17</u>.
  - A. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Operating Agreement is inconsistent with Illinois law, Illinois law will control.
  - B. Any release of claims or acknowledgments of fact contained in the Operating Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Illinois Franchise Disclosure Act, or a rule or order under the Illinois Franchise Disclosure Act will be void and are deleted with respect to claims under the Illinois Franchise Disclosure Act.
- 3. <u>Item 21</u>.

You have not been provided with financial statements of ADQ, the Franchisor. Therefore, you do not have knowledge of how this specific company has performed. However, IDQ, the parent corporation of ADQ, unconditionally guarantees the performance of ADQ. A copy of the Guaranty of Performance is on file with the Attorney General.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND

The following applies to franchises and franchisees subject to Maryland statutes and regulations. Item numbers correspond to those in the main body.

1. <u>Item 17</u>

Item 17 of the disclosure document is supplemented by the following:

(a) Our termination of the Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 <u>et seq</u>.)

(b) Any claims under the Maryland Franchise Registration and Disclosure Law may be brought in the State of Maryland.

(c) Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the franchise is granted.

(d) The general release required as a condition of renewal, sale and/or assignment or transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF MINNESOTA

The following applies to franchises and franchisees subject to Minnesota statutes and regulations. Item numbers correspond to those in the main body.

- 1. <u>Cover Page and Item 17</u>.
  - A. Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit ADQ from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.
  - B. Franchisee cannot consent to ADQ obtaining injunctive relief. ADQ may seek injunctive relief. A court will determine if a bond is required.
- 2. <u>Item 13</u>.

ADQ will undertake the defense of any claim of infringement by third parties involving the Dairy Queen® Trademark. You must cooperate with the defense in any reasonable manner prescribed by ADQ with any direct costs of such cooperation to be borne by ADQ.

- 3. <u>Item 17</u>.
  - A. Minnesota law provides you with certain termination and nonrenewal rights. As of the date of this Disclosure Document, Minn. Stat. Sec. 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 nonrenewal of the Operating Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.
  - B. Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 80C.22.
  - C. The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd.5.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF NORTH DAKOTA

The following information applies to franchises and franchisees subject to North Dakota statutes and regulations. Item numbers correspond to those in the main body.

## 1. <u>Item 6</u>.

The North Dakota Securities Commissioner has determined that to require franchisees to consent to liquidated damages or termination penalties is unfair, unjust, or inequitable within the intent of the North Dakota Franchise Investment Law. As a result, the termination fee provision in Item 6 of the Disclosure Document is deleted in its entirety.

- 2. <u>Item 17</u>.
  - A. Covenants not to compete during the term of and upon termination or expiration of the Operating Agreement are enforceable only under certain conditions according to North Dakota law. If the Operating Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.
  - B. Notwithstanding anything contained in Paragraph 12 of the Operating Agreement, any arbitration proceeding shall take place in the city nearest to the authorized location in which the American Arbitration Association shall maintain an office and facility for arbitration, or at such other location as may be mutually agreed upon by the parties. Any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota may be unenforceable under North Dakota law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.
  - C. Any general release the franchisee is required to assent to as a condition of renewal is not intended to nor shall it act as a release, estoppel or waiver of any liability ADQ may have incurred under the North Dakota Franchise Investment Law.
  - D. The Operating Agreement includes a waiver of exemplary and punitive damages. This waiver may not be enforceable under North Dakota law.
  - E. The Operating Agreement requires the franchisee to consent to a waiver of trial by jury. This waiver may not be enforceable under North Dakota law.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF RHODE ISLAND

The following information applies to franchises and franchisees subject to Rhode Island statutes and regulations. Item numbers correspond to those in the main body.

# 1. <u>Item 17</u>.

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF TEXAS

The information in this addendum applies to the offer and sale of DQ® Treat franchises in the State of Texas, and supplements the DQ® Treat franchise disclosure document used by ADQ in states other than Texas (the "disclosure document"). In the event that any information in this addendum contradicts the information in the disclosure document, this addendum controls.

The Item numbers listed below correspond to those in the main body of the disclosure document. Capitalized terms not specifically defined in this addendum will have the meaning given to them in the main body of the disclosure document.

# <u>Item 1</u>

# **Description of the Franchises Being Offered**

ADQ's business in Texas includes the offer and sale of single unit franchises for the development of DQ® Treat stores.

In addition, ADQ's business in Texas includes the offer and sale, under a separate franchise disclosure document, of the DQ® single unit restaurant franchise, which is a license of the right to establish and operate a DQ® restaurant at an authorized location pursuant to the terms of the DQ® franchise agreement. A DQ® restaurant is a quick service restaurant from which a franchisee sells the full line of approved Dairy Queen® menus of soft-serve and food and drink items. ADQ's business in Texas also includes the offer and sale of a DQ® restaurant multiple unit franchise under the MultiTRA program, which allows a franchisee to establish and operate a specific number of DQ® restaurants at authorized locations in Texas under separate franchise agreements for each restaurant, within a specific trade area. The DQ® restaurant single and multiple unit franchises in Texas differ from the single and multiple unit franchises ADQ offers in various other areas of the United States in one principal respect. Due to historical factors unique to Texas, in addition to the Dairy Queen® treat menu, Texas DQ® restaurants serve a line of cooked foods referred to as the "Texas Country Foods cooked food system." The Texas Dairy Queen Operators' Council (the "TDQOC"), an independent association of Texas Dairy Queen® licensees, (and its predecessor), developed, established and continues to support the Texas Country Foods cooked food system, which is different than the food served at other DQ® stores and restaurants throughout the United States. The Texas Country Foods cooked food system is identified by various trademarks owned by the TDQOC. For further discussion of the TDQOC and the Texas Country Foods cooked food system, see the subheading "Texas Dairy Queen Operators' Council" below. DQ® restaurants outside of Texas (including Dairy Queen®/Brazier® and DQ Grill & Chill® restaurants) generally sell the full line of approved DQ Grill & Chill® soft-serve, treat, food and beverage menu items. Although it has not done so since 2002, ADQ previously offered, through a separate franchise disclosure document, a DQ® treat store franchise in Texas that included the Texas Country Foods cooked food system.

Whether and to what extent Texas will be a part of menu unification relating to ADQ's concept evolution has not been determined at this time.

Effective January 1, 2005, the DQ Grill & Chill® building design became the approved building design and standard for new DQ® full food restaurants, including those located within Texas. Although the DQ Grill & Chill® menu is now the approved menu for new DQ® full food restaurants outside of Texas, the approved menu for DQ® full food menu restaurants located within Texas will not be the DQ Grill & Chill® standard menu, but will continue to consist of a full line of Dairy Queen® soft-serve items and Texas Country Foods cooked food system items.

ADQ is not currently offering DQ Grill & Chill® franchises in Texas, nor making the DQ Grill & Chill® menu available to Texas franchisees. It is possible that ADQ and the TDQOC may reach an agreement sometime in the future which would allow certain Texas franchisees to start to use some of the DQ Grill & Chill® trademarks, nomenclature and menu items. As of the date of the disclosure document, however, no agreement has been reached.

ADQ will continue to support all non-DQ Grill & Chill® restaurants and stores in the DQ® system. Existing DQ® food restaurant franchisees, including those with restaurants located within Texas, may have the opportunity to move toward the DQ Grill & Chill® building design and standard through various replacement, relocation, conversion or modernization programs. In addition, existing DQ® food restaurant franchisees, with restaurants located outside of Texas, may have the opportunity to move toward the DQ Grill & Chill® menu and standard through various replacement, relocation, conversion or modernization programs.

ADQ also offers a number of other franchise programs in states other than Texas, which, due to historical factors unique to Texas, are not offered in Texas. These franchise programs are further described in Item 1 of the disclosure document.

Of the 789 direct licensed and territory operator DQ® Treat stores operating as of December 31, 2022 (see Item 1 and Item 20 of the disclosure document), none were located in Texas.

# **Texas Dairy Queen Operators' Council**

Following ADQ's acquisition of the Texas territory operator's interest in various restaurant and store franchise agreements in 1980, the Texas Dairy Queen Operators' Council, a nonprofit Texas corporation, was established. The TDQOC (and its predecessor) developed, established and continues to support trademarks, which are registered in the United States Patent and Trademark Office and in Texas, together with the Texas Country Foods cooked food system, for the sale of certain food products under the TDQOC trademarks.

In January 1992, ADQ and the TDQOC entered into a settlement agreement (the "TDQOC Agreement") to formalize and continue their cooperative relationship and clarify their respective rights in a number of areas including the following: (1) control over cooked food, drink, and dessert products offered for sale in Texas Dairy Queen® stores and restaurants; (2) TDQOC membership and voting rights; (3) control over and use of sales promotion funds from Texas Dairy Queen® stores and restaurants; (4) control over advertising, marketing, and sales promotion programs for Dairy Queen® stores and restaurants in Texas; (5) distribution of products and supplies to Dairy Queen® stores and restaurants in Texas; (6) control over and use of trademarks owned by ADQ and the TDQOC; (7) responsibility for quality assurance programs; and (8) the TDQOC's relationship with the National Dealer Marketing Council.

Pursuant to the TDQOC Agreement and the bylaws of the TDQOC, Texas Dairy Queen® franchisees become members of the TDQOC when they operate a DQ® store or restaurant in Texas. Prospective franchisees can obtain a copy of the TDQOC Agreement and bylaws by contacting ADQ or the TDQOC. Certain Texas DQ® franchisees are eligible to use certain food service trademarks owned and licensed by the TDQOC and the Texas Country Foods cooked food system in conjunction with a DQ® franchise. Pursuant to a working relationship between ADQ and the TDQOC, ADQ and the TDQOC jointly administer the Texas Country Foods cooked food system. The single and multiple unit DQ® treat store franchise described in the disclosure document does not contain the Texas Country Foods cooked food system in your DQ® treat store.

# Item 6

The following supplements the Dairy Queen® sales promotion program fee disclosure in Item 6 of the disclosure document:

As a DQ® Treat store franchisee, you must pay your sales promotion program fees to ADQ. Pursuant to the TDQOC Agreement, however, the TDQOC currently directs the use of all of the sales promotion program fees paid to it by Texas DQ® restaurant franchisees, and may direct the use of a part of the sales promotion program fees paid to ADQ by Texas DQ® Treat store franchisees. See Item 11 of the main body of the disclosure document and the Item 11 section of this addendum for more information regarding Dairy Queen® sales promotion activities.

Gift card program fees for Texas store and restaurant franchisees are allocated based on a shared cost model between the Texas store and restaurant franchisees and the TDQOC or the NMF.

# <u>Item 8</u>

Item 8 of the main body of the disclosure document refers to ADQ's right to designate a single approved manufacturer, supplier or distributor for soft drinks. Notwithstanding the language in the Operating Agreement, the TDQOC Agreement provides that, so long as the TDQOC Agreement is in place, each Texas franchisee has the right to select the nationally branded soft drinks of their choice.

TDQOC has established a separate supply chain for approved products for the "Texas Country Foods" cooked foods system. The TDQOC supply chain also offers some additional ADQ approved products for purchase by Texas franchisees. The TDQOC uses similar criteria to ADQ in approving alternate suppliers as described in Item 8 of the main body of the franchise disclosure document.

The following information, which supplements Item 8, has been provided to ADQ by the TDQOC and has not been independently verified by ADQ.

In 2022, the TDQOC received funds not related to advertising from suppliers as follows:

1. Lyons Magnus: This company agreed to pay the TDQOC a volume rebate on purchases for READY-TO-USE non-frozen dessert toppings purchased for use Dairy Queen® restaurants and stores in Texas. The total of the rebate was \$144,192.04 in 2022.

- 2. **Simplot**: As an incentive to being awarded a contract in which the TDQOC approved Simplot as a French fry supplier for the Dairy Queen® restaurants and stores in Texas, Simplot paid the TDQOC payments of \$74,402.10 in 2022.
- 3. McCain: As an incentive to being awarded a contract in which the TDQOC approved McCain as a French fry supplier for the Dairy Queen® restaurants and stores in Texas, McCain paid the TDQOC payments of \$19,878.90 in 2022.

The amounts specified above were credited to a special account separate from the Texas Program (as defined in Item 11 under the heading "Sales Promotion Activities"). This account is known as the "TDQOC NON-FUND ACCOUNT." The funds were used or held for expenses related to purchasing programs or were loaned (at no interest) to the Texas Program to help fund production costs relating to advertising and marketing for Texas DQ® restaurants and stores.

In 2023, the TDQOC plans to receive volume rebates from its current French fry suppliers (Simplot and McCain) and its toppings supplier (Lyons Magnus). Those rebates will be determined on the same basis respectively as the rebates received in 2022. The TDQOC anticipates that the amounts received from these suppliers in 2023 will be similar to the amounts received in 2022.

The food-service distributors for Texas Dairy Queen® restaurants collect 10 cents for each box of product purchased by franchisees for use in Texas Dairy Queen® restaurants. In 2022, the TDQOC received a total of \$540,620.40 from Labatt Foodservice. The monies received by the TDQOC will be deposited in the TDQOC NON-FUND ACCOUNT and will be used or held for expenses related to purchasing programs, including programs designed to monitor distributors' charges to Texas DQ® restaurants and stores to assure compliance with margin provisions in Distribution Agreements made on behalf of Texas DQ® operators.

You are not required to purchase any products from Lyons Magnus, Simplot, McCain or Labatt Foodservice, but currently one or more of these suppliers may be the only source of supply for certain products. If you want to purchase products from alternative suppliers you must follow the approval process described above in Item 8.

In addition to the funds described above in Item 8 of this Addendum that the TDQOC received from suppliers and its former purchasing agent, outside suppliers also contributed marketing-related funds to the Texas Program during 2022 as follows:

1. **Dr Pepper/Seven Up, Inc.**: Dr Pepper/Seven Up, Inc. contributes monies to the Texas Program once a year. Dr Pepper/Seven Up, Inc.'s marketing support payments in 2022 were \$185.20. A similar amount is expected for 2023.

The marketing funds that the TDQOC receives from vendors are used for marketing purposes. These funds are not intended to add to the cost of goods. The marketing funds would be lost to the Texas Program if the TDQOC did not claim them.

# <u>Item 11</u>

**Sales Promotion Activities**. The following supplements and supersedes, as appropriate, the language contained in Item 11 of the main body of the disclosure document as it relates to sales promotion activities for DQ® restaurants and stores located in Texas.

Under the TDQOC Agreement, the TDQOC currently directs the use of all of the sales promotion program fees paid by Texas DQ® restaurant franchisees, and may direct the use of a part of the sales promotion program fees paid by Texas DQ® Treat store franchisees. You may use only the sales promotion or other advertising materials that ADQ or the TDQOC furnishes or makes available to you or such other materials as ADQ or the TDQOC approves for use in your sales promotion activities.

Because Texas DQ® Treat store franchisees pay all of their sales promotion program fees directly to ADQ, Texas DQ® Treat store franchisees will receive marketing and advertising materials from ADQ or its affiliates, including certain DQ® treat sales promotion materials. In accordance with the TDQOC Agreement, ADQ may use the sales promotion fees it receives from Texas DQ® Treat store franchisees to cover costs relating to the Dairy Queen® national marketing program, the Dairy Queen® pro rata share of certain DQ® treat sales promotion materials, administrative fees, and the reimbursement of qualified sublease and/or lease-required advertising and special projects. ADQ then contributes any remainder of these fees, based on marketing expense invoices submitted to ADQ by the TDQOC, to the Texas Program (as defined below) to be used by the TDQOC at the DMA level.

ADQ did not have any Texas DQ® Treat store franchisees in 2022.

ADQ administers the sales promotion program fees it receives from Texas DQ® Treat store franchisees. You must pay the sales promotion program fee described in Item 6 of the disclosure document. Other franchisees pay greater, lesser or no sales promotion fees. ADQ accounts for the sales promotion program fees it receives from DQ® Treat store franchisees on a store by store basis.

The TDQOC currently uses The Loomis Advertising Agency to develop and produce television and radio commercials, print and other marketing materials, and to place media for the Texas marketing program. The Texas marketing program is designed to build consumer awareness for Texas Country Foods and Dairy Queen® products, promote customer trial and increase customer frequency. The Texas marketing program is designed to be uniform throughout the state.

All Texas Dairy Queen® franchisees are members of the TDQOC. The organization operates under bylaws that provide for the election of a Board of Directors. There are 9 Directors that represent 9 geographic regions in the State of Texas. Each of the 9 geographical Directors is elected by operators in his/her geographic area for 3 year terms of office. The Board elects officers for one year terms. The Board of Directors has final authority with respect to marketing decisions.

There are 21 designated [TV] market areas ("DMA") in Texas for which advertising budgets are established depending on sales promotion fees available to each DMA. The DMA is a geographical area in which consumers can be reached by the same TV signals of the principal stations in the area. The television market is determined by an independent research and ratings service called Nielsen Media Research, which conducts research on consumer TV viewing patterns in each county in the United States. All of the counties (and therefore all of the DQ® restaurants and stores

within these counties) that share the same TV influence are grouped into the same DMA. For active DMAs, a portion of the sales promotion fees paid by stores and restaurants in the DMA are used to purchase media for the DMA, which provides for greater consumer impact than any individual store or restaurant effort. If the TDQOC determines that it is not efficient to purchase media on a DMA basis in a particular market, the market is termed "inactive." Within program guidelines, stores and restaurants located in an inactive DMA may be reimbursed for certain local sales promotion expenditures.

You may use only the sales promotion or other advertising materials that the TDQOC or ADQ furnish or make available to you as part of the Texas marketing programs, or such other materials the TDQOC and ADQ approve for use in your sales promotion activities. Examples of sales promotion and other advertising materials that the TDQOC and ADQ must approve prior to your use include menu board transparencies, counter mats, counter mat inserts, posters, billboard paper or vinyl, newspaper inserts, lawn signs, banners, menu board or register toppers, window clings, cake freezer merchandising, stanchions/display point-of-purchase, TV and radio creative, online communication, social media, electronic or mobile media, loyalty programs, and direct mail. Sales promotion and other advertising materials produced by the NMF are, by design, licensed only to current NMF participating DQ® restaurants and stores and may not be transferred to or used in any way by or in non-NMF participating DQ® restaurants and stores. This means that if a franchisee owns both participating-NMF and non-participating-NMF DQ® restaurants and/or stores, NMF materials may only be displayed in those DQ® restaurants and stores paying the NMF fee. You must use and distribute these and other related materials, only as authorized by the TDQOC and ADQ. You should use the Texas Marketing Calendar to organize your local restaurant marketing programs. The TDQOC and ADQ will not unreasonably withhold approval of any sales promotion or other advertising materials that you propose to use, as long as your materials are factually accurate, current, in good condition, in good taste, of like quality to and not in conflict with sales promotion and other advertising materials ADQ furnishes or makes available to you, and accurately depict the Dairy Queen® products and Trademarks.

Pursuant to the TDQOC Agreement, Texas DQ® restaurant franchisees must pay their sales promotion fees to the TDQOC for so long as the TDQOC Agreement is in effect. In the event that the TDQOC Agreement is at some point terminated, ADQ will advise these franchisees of the termination and provide them with written instructions concerning the person or entity to whom they shall pay future sales promotion fees. Accordingly, by virtue of the TDQOC Agreement, the TDQOC currently directs the use of all of the sales promotion program fees paid by Texas DQ® restaurant franchisees, and may direct the use of a part of the sales promotion program fees paid by Texas DQ®.

Under the terms of the TDQOC Agreement, the TDQOC and ADQ periodically meet to determine how much, if any, of the sales promotion program fees the TDQOC collects from Texas DQ® restaurant franchisees for a given period will be contributed to the National Marketing Fund ("NMF") administered by ADQ in return for sales promotion and other advertising materials during the same period. The TDQOC has opted not to contribute to the NMF since 2010. Therefore, Texas DQ® restaurant franchisees will not receive sales promotion, advertising, or other programs and materials that are paid for in whole or in part with NMF monies during the 2023 calendar year. Since the TDQOC has opted not to contribute to the NMF for 2023, the TDQOC will not have a seat on the Franchise Advisory Council (the "FAC") in 2023. See Item 11 of the main body of the disclosure document for more information on the FAC.

The sales promotion activities relating to DQ Grill & Chill® restaurants and DQ® Treat stores may be entirely different from the activities relating to other DQ® restaurants and stores. In addition, certain sales promotion activities for DQ® Treat stores, and the distribution of sales promotion program fees paid by these stores among various sales promotion activities, may, from time to time, be different than those relating to other DQ® stores and restaurants.

The TDQOC administers the Texas Annual Marketing Program (the "Texas Program"). Texas DQ® restaurant franchisees and outside suppliers contribute to the Texas Program. See the Item 8 section of this addendum for more information on outside supplier contributions to the Texas Program. ADQ also may contribute a portion of the sales promotion program fees it receives from Texas DQ® Treat store franchisees to the Texas Program, as further described above. You must pay a sales promotion program fee up to 6% of Gross Sales on Orange Julius® branded products and 5% - 6% of Gross Sales on all other products, except as otherwise stated below. At the time of this disclosure document, the sales promotion program fee for Orange Julius® branded products is at 5% for Street locations and 1.25% for Captive-venue locations. (which may be increased up to 6% upon 90 days notice), as described in Item 6 of the main body of the disclosure document. Other franchisees pay greater, lesser or no sales promotion fees. The Texas Program is subject to a Certified Audit on an annual basis which is available for review. A portion of the sales promotion program fees goes to cover production and administrative expenses. Texas Dairy Queen® franchisees that serve as Directors receive no remuneration other than a limited expense reimbursement.

Use of the payment made to the Texas Program in the most recently concluded 2022 fiscal year is as follows:

Percentage spent on production	8.7%
Percentage spent on media placement	74.9%
Percentage spent on administrative expenses	16.4%
Percentage contributed to national marketing program	0%
TOTAL	100.00%

Payments made to the Texas Program that are not spent in any fiscal year will be carried over for future use by the Texas Program. The Texas Program will not be used for advertising principally directed at the sale of franchises.

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF VIRGINIA

The following information applies to franchises and franchisees subject to the Virginia statutes and regulations.

1. Any securities offered or sold by an Investor Franchisee as part of the DQ® Treat franchise must either be registered or exempt from registration under Section 13.1-514 of the Virginia Securities Act.

2. <u>Item 17</u>

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.

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

# ADDENDUM TO DISCLOSURE DOCUMENT FOR THE STATE OF WASHINGTON

The following information applies to franchises and franchisees subject to the Washington Franchise Investment Protection Act, Revised Code of Washington, Section 19.100.180(2)(j).

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including in the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a licensee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

# <u>EXHIBIT A</u>

List of State Administrators/Agents for Service of Process

## STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

#### **CALIFORNIA**

California Department of Business Oversight 320 W. 4<sup>th</sup> St., Suite 750 Los Angeles, CA 90013-2344

### HAWAII

Commissioner of Securities of the Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, Hawaii 96813

#### **ILLINOIS**

Attorney General State of Illinois 500 South Second Street Springfield, Illinois 62706

#### **INDIANA**

Securities Commissioner Indiana Securities Division 302 West Washington, Room E-111 Indianapolis, Indiana 46204

#### MARYLAND

Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020

#### **MICHIGAN**

Consumer Protection Division Franchise Section G. Mennen Williams Building 525 W. Ottawa St. Lansing, Michigan 48909

#### **MINNESOTA**

Commissioner of Commerce Minnesota Department of Commerce 85 - 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198

#### **NEW YORK**

NY State Department of Law Bureau of Investor Protection and Securities 120 Broadway, 23rd Floor New York, New York 10271

#### NORTH DAKOTA

North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 5th Floor Bismarck, ND 58505-0510

#### RHODE ISLAND

Administrator R.I. Dept. of Bus. Regulation Securities Section 1511 Pontiac Avenue Cranston, RI 02920

#### **SOUTH DAKOTA**

Division of Insurance Securities Regulation 124 S Euclid, Suite 104 Pierre SD 57501

#### **VIRGINIA**

(Agent to Receive Process) Clerk of State Corporations Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219

(State Administration Authority) State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219

#### WASHINGTON

Director Washington State Department of Financial Institutions Securities Division 150 Israel Rd. SW Tumwater, Washington 98501

#### **WISCONSIN**

Commissioner of Securities Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705

# EXHIBIT B

Operating Agreement with Undertaking and Guarantee and related Addenda and Appendices

Store #

# DQ® TREAT OPERATING AGREEMENT

Authorized Location:

 Street

 City
 State
 Zip Code

 LICENSEE:
 ("Licensee")

 ("Licensee")
 Effective Date:

 (To be completed by Company)
 Expiration Date:

 (To be completed by Company)

Licensee's Initials:\_\_\_\_\_

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# **DQ® TREAT OPERATING AGREEMENT**

This agreement is between American Dairy Queen Corporation, a Delaware corporation whose principal office is located at 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437 ("Company"), and the Licensee listed on the cover page to this agreement, and is effective as stated in section 15.15.

# Background

- Company and its predecessors and affiliates have expended considerable time, effort, skill and financial resources in developing the System (defined in section 16).
- Company owns, or licenses from its affiliates, the Trademarks (defined in section 16) used in connection with the System.
- Licensee desires to obtain the right to develop and operate one DQ® Treat restaurant using the System.

Therefore, the parties agree as follows:

# Terms and Conditions

- **1. CAPITALIZED TERMS.** Capitalized terms have the definitions given them in section 16.
- 2. GRANT OF LICENSE.
  - 2.1 Authorized Location. Subject to the terms and conditions of this agreement, Company grants to Licensee the right and license to establish and operate the Restaurant identified by the Trademarks. Licensee accepts this license and will operate the Restaurant in compliance with the System and this agreement.
  - 2.2 Pre-opening Requirements. Licensee must use Company's pre-opening assistance, including in-restaurant training and Restaurant opening schedules and procedures, demonstrate that Licensee satisfies Company's dry-run training requirement, and meet other pre-opening requirements specified by Company. Licensee may not open or commence operation of the Restaurant until Company notifies Licensee that all pre-opening requirements have been met. Company is not liable for any damages arising out of Licensee's failure to open the Restaurant by a particular date.
  - **2.3** Limited License. The license granted by this agreement is limited to the right to operate one Restaurant at the Authorized Location, and does not include:
    - (A) An exclusive area or protected territory within which Company or its affiliates agree not to issue competing franchises or operate competing businesses;

- (B) Any right to sell or distribute products and menu items identified by the Trademarks at any location other than the Authorized Location or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce such as social media, mobile applications, third party delivery and other platforms and the metaverse) and pre-packaged retail or catalog sales, except as Company may authorize or require as part of the System;
- (C) Any right to sell or distribute products and menu items identified by the Trademarks to any person or entity for resale or further distribution, except as Company may authorize or require as part of the System; or
- (D) Any right to sublicense, or exclude, control or impose conditions on the location or development of future restaurants or stores.
- 2.4**Reservation of Rights.** Company reserves all rights not expressly granted to Licensee under this agreement. Company and its affiliates have the right to operate and grant others the right to operate competing businesses at any location but the Authorized Location, as determined by Company or its affiliates. These locations may include freestanding buildings and facilities, strip centers, shopping malls, and other similar locations. These locations also may include transportation terminals, sports facilities, recreation areas, hotels, hospitals, campus facilities, and other non-traditional locations. In addition, Company and its affiliates have the right to sell or distribute, themselves or through designees, products identified by the Trademarks, or any other trademarks. service marks, trade names and commercial symbols, through any distribution channels or methods, including the internet (or any other existing or future form of electronic commerce such as social media, mobile applications, third party delivery and other platforms and the metaverse) and pre-packaged retail or catalog sales.
- **3. TRADEMARK STANDARDS AND REQUIREMENTS.** The Trademarks are the exclusive property of Company or its affiliates, and Licensee's right to use the Trademarks is conditioned upon the following terms:
  - **3.1 Trademark Ownership.** The Trademarks are valuable property owned or licensed by Company, and Company or its affiliates are the exclusive owner of all right, title, and interest in and to the Trademarks. Licensee's use of the Trademarks inures to the benefit of Company or its affiliates. Licensee disclaims all right, title and interest in or to the goodwill and the Trademarks and agrees that the goodwill and Trademarks are the exclusive property of Company or its affiliates. Licensee will not, during or after the term of this agreement, engage in any direct or indirect conduct that would infringe upon, harm or contest the rights of Company or its affiliates in any of the Trademarks or the goodwill associated with the Trademarks.
  - **3.2 Trademark Use.** Licensee may only use the Trademarks in connection with the Restaurant, and must not use, or permit the use of, any other trademarks, trade names or service marks. Licensee must use the Trademarks, in the form

and manner prescribed by Company in writing, only in connection with the products and services specified or approved periodically by Company that meet Company's standards of quality, mode and condition of storage, production and sale, and portion and packaging. Licensee must comply with all trademark, trade name and service mark notice marking requirements. Licensee acknowledges the value of System uniformity and agrees that Licensee's failure to comply with the System will adversely affect the value of the Trademarks.

### 3.3 Restaurant Identification.

- (A) Licensee must not use any of the Trademarks as part of its business entity name.
- (B) Licensee must only use the DQ® mark and no other mark or words as the trade name of the Restaurant, unless Company otherwise directs.
- (C) Licensee cannot use any additional words with the Trademarks without Company's prior written consent.
- (D) Licensee may use the Trademarks on various materials, such as business cards, stationery and checks, on the condition that Licensee:
  - (1) Accurately depicts the Trademarks on the materials;
  - (2) Includes a statement on the materials indicating that the business is independently owned and operated by Licensee; and
  - (3) Makes available to Company, upon its request, a copy of any materials depicting the Trademarks.
- (E) Licensee must post a prominent sign in the Restaurant identifying Licensee as a franchisee of Company in a format reasonably acceptable to Company, which includes an acknowledgment that the Restaurant is independently owned and operated by Licensee and the Trademarks are owned by Company and used by Licensee under a license issued by Company.
- **3.4 Restrictions on Internet and Website Use.** Company retains the sole right to advertise the System on the internet and to create, operate, maintain and modify, or discontinue the use of, websites (including pages and profiles on social media websites) using the Trademarks. Licensee has the right to access Company's website. Except as Company may authorize in writing, however, Licensee will not: (1) link or frame Company's website; (2) conduct any business or offer to sell or advertise any products or services on the internet (or any other existing or future form of electronic communication); and (3) create or register any internet domain name in connection with the Restaurant. Licensee will not register, as internet domain names, any of the Trademarks now or hereafter owned by Company or any abbreviation,

acronym or variation of the Trademarks, or any other name that could be deemed confusingly similar.

- **3.5 Trademark Litigation.** In the event any person or entity improperly uses or infringes the Trademarks, Company or its affiliates will control all litigation and determine whether to institute, prosecute or settle a suit, the terms of settlement, and whether to take any other action. Licensee must promptly notify Company of any improper use or infringement of which Licensee is aware, promptly inform Company of any claim arising out of Licensee's use of any Trademark, and cooperate with any action taken by Company in response.
- **3.6** Substitutions. If a party claims superior rights to use any of the Trademarks and Company determines that the claim is legally meritorious, then upon receiving written notice from Company, Licensee will, at its expense, immediately make such changes and use such substitutions to the Trademarks as Company requires.

## 4. TERM AND RENEWAL.

- **4.1 Term.** The term of this agreement starts on the Effective Date and, unless earlier terminated under section 13, runs for:
  - (A) 15 years after the target opening date, as determined by Company, if for a new DQ Treat franchise;
  - (B) The lesser of 15 years or the remaining term of the transferring licensee's operating agreement, if this agreement is signed as a requirement of a transfer; or
  - (C) The renewal term specified in the expiring operating agreement, if this agreement is signed as a requirement of renewal
- **4.2 Expiration Date.** Company will designate the expiration date of this agreement on the cover page and the date designated by Company shall control.
- **4.3 Renewal.** If the following conditions are met, Licensee may renew its license for an additional renewal term, which will be the shorter of 15 years or the period that Licensee has the right to maintain possession of the Restaurant premises:
  - (A) Licensee gives Company written notice of its intent to renew between 3 6 months before the expiration of the term;
  - (B) Licensee signs Company's then current operating agreement. The terms of the then current operating agreement may differ materially from this agreement, including higher or additional fees;
  - (C) Licensee has complied with the modernization and replacement provisions of section 5.5;

- (D) Licensee is in good standing, including that it has satisfied all monetary obligations on a timely basis, and does not have a history of substantial noncompliance with the System or this agreement;
- (E) Licensee has the right to maintain possession of the Restaurant premises, and has provided written proof of its ability to remain in possession of the premises throughout the renewal period if leasing or subleasing;
- (F) Licensee pays Company a non-refundable renewal fee of \$1,000 times the number of years (including partial years) included in the renewal term, but not more than \$10,000, which is due 30 days before expiration of this agreement. For example, if the renewal operating agreement is for 7½ years, the renewal fee would be \$8,000;
- (G) Licensee and each Principal Owner sign a general release, in a form acceptable to Company, of all claims against Company and its affiliates, officers, directors, employees, and agents; and
- (H) Company approves the location where the Restaurant will be operated during the renewal period.
- 5. FACILITY STANDARDS AND MAINTENANCE. Company may periodically establish quality standards regarding the business operations of DQ® restaurants and stores to protect the distinction, goodwill and uniformity symbolized by the Trademarks and System. Accordingly, Licensee must maintain and comply with Company's quality standards and abide by the following conditions:
  - 5.1 **Restaurant Facility.** The Restaurant must be constructed and equipped in accordance with Company's current approved specifications and standards pertaining to equipment, inventory, signage, fixtures, location, accessory features and design and layout of the Restaurant. Licensee must not commence construction of the Restaurant, or purchase or lease a location for the development of the Restaurant, until Company has given written consent to Licensee's building plans and the location. Licensee must complete the construction of the Restaurant in accordance with the approved building plans and otherwise satisfy all building plan and site work requirements without any unauthorized alterations. If Licensee enters into a lease for the Restaurant premises, Licensee must provide the lease and all lease exhibits to Company within 5 days of its execution. Licensee must obtain all necessary permits, licenses and architectural seals, and in all other respects comply with applicable legal requirements relating to the premises, building, signs, equipment and premises, including the Americans With Disabilities Act. Company's consent to building plans or a site does not guarantee compliance with any legal requirements or the Restaurant's success at that site. Company will furnish Licensee with lists of required and approved equipment, signage, fixtures and furnishings. Licensee must not use the Restaurant premises or Authorized Location for any purpose other than the operation of the Restaurant during the term of this agreement. After the expiration or termination of this agreement,

Licensee must not use the Restaurant premises or Authorized Location in violation of section 14.6.

- **5.2** Future Alteration. Any replacement, reconstruction, addition or modification in the building, premises, interior or exterior decor or image, equipment or signage of the Restaurant to be made after Company's consent is granted for initial plans, whether at the request of Licensee or of Company, must be made in accordance Company's then current specifications and standards. Licensee must not commence any replacement, reconstruction, addition or modification until Licensee has received Company's written consent to Licensee's revised building plans. Company owns any alterations or improvements made by or on behalf of Licensee to the building plans.
- **5.3 Maintenance.** Licensee must maintain the building, premises, grounds, equipment and signage used in the operation of the Restaurant in good condition and in accordance with requirements established periodically by Company, and any reasonable schedules prepared by Company based upon periodic evaluations of the premises by Company's representatives. Within 90 days after the receipt of a report based on an evaluation, Licensee must effect the items of maintenance designated in the report, including the repair of defective items or the replacement of irreparable or obsolete items of equipment and signage.
- **5.4 Relocation.** If it becomes necessary to replace or relocate the Restaurant because of the condemnation of the Authorized Location, the exercise of a replacement or relocation right by Licensee's landlord, or for some other reason approved by Company, then Company will grant Licensee authority to replace or relocate upon the following conditions:
  - (A) The new location must be:
    - (1) Acceptable to Company;
    - (2) Reasonably suited for a Restaurant;
    - (3) In a location that is consistent with Company's current site selection guidelines; and
    - (4) If the Restaurant is a Captive-venue Location, within the same building or venue as the Authorized Location, or if the Restaurant is a Street Location, within a 500 meter radius of the Authorized Location.
  - (B) The new site must not infringe on the rights of any other licensee or sublicensee of Company.
  - (C) After Licensee discontinues operation of the Restaurant at the Authorized Location, the new Restaurant must be under construction within 30 days if a Captive-venue Location, or 180 days if a Street Location.

- (D) After construction commences, the new Restaurant must be open and operating within 90 days if a Captive-venue Location, or 120 days if a Street Location.
- (E) The new Restaurant must be constructed and equipped in accordance with Company's then current standards and specifications.
- **5.5 Modernization or Replacement.** Licensee must modernize, refurbish or replace the building, premises, equipment, signage and grounds as is necessary to reasonably conform them to Company's then current standards for similarly situated new restaurants of the type developed under this agreement, upon renewal of this agreement, upon transfer of this agreement under the circumstances described in section 11, and every 10 years or any shorter period required by the lease for the premises. The requirements of this section 5.5 are reasonable and necessary to ensure continued public acceptance and patronage of DQ® restaurants and to avoid deterioration or obsolescence in connection with the operation of the business.

## 5.6 Lease.

- (A) To the extent that Company assists Licensee with any lease negotiations, Licensee acknowledges that Company or an affiliate:
  - (1) has not made any representations or warranties to Licensee with respect to whether Company's or its affiliate's negotiation with the landlord will be successful, whether the lease terms or site are adequate or appropriate, nor that the Authorized Location will be ready for occupancy or opening by any specified date; and
  - (2) neither Company nor an affiliate are responsible or liable to Licensee for damages arising out of any failure by Company or its affiliate to obtain the landlord's agreement to enter into a lease, the landlord's failure to enter into a lease with Licensee, or for the failure of the Authorized Location to be ready for occupancy or opening by any specified date.
- (B) If Licensee has signed a sublease for the Restaurant premises and Company or its affiliate and the landlord are unable to agree to a prime lease, Company may declare this agreement null and void, and all deposits, including the initial franchise fee, will be returned to Licensee minus the greater of a \$2,500 cancellation fee or Company's actual expenses incurred in connection with processing Licensee's application and providing services for Licensee's benefit.

#### 6. PRODUCTS AND OPERATIONS STANDARDS AND REQUIREMENTS.

**6.1 Menu.** The Restaurant is limited to the preparation and sale of products periodically designated and approved by Company. Licensee must offer for sale from the Restaurant all items listed on the Menu and no other items. To the

fullest extent the law allows, Company may require Licensee to offer items on the Menu at the maximum, minimum, or other prices that Company specifies from time to time. Company may periodically make modifications to the Menu and Licensee must comply with any modifications. Licensee must not offer or sell any other product or service at the Restaurant without Company's prior written consent.

- **6.2 Authorized Ingredients and Supplies.** Licensee must only use in the operation of the Restaurant and in the preparation of products the ingredients, recipes, formulas and supplies specified by Company. Licensee must prepare products in the portions, sizes, appearance and packaging specified by Company in the Operations Manual or otherwise communicated in writing. Licensee must secure at its own expense all necessary permits or approvals for the use and sale of all products, supplies and ingredients in and from the Restaurant. All supplies, including cones, cups, containers, eating utensils, and napkins, and all other customer service materials of all descriptions and types must meet the reasonable standards of uniformity and quality as now or hereafter are set by Company.
- **6.3 Powders.** The Powders are secret formulas. Their composition or formula will not be, and is not required to be, disclosed to Licensee. Licensee must not resell (at retail or otherwise), make, manufacture, alter, adulterate or dilute the Powders, or any substitute for the Powders, or similar products and must maintain in secrecy any information it acquires about the Powders. Company may refer to the Powders by other terms, including compounds. Licensee must purchase exclusively from Company's designated supplier (which may be Company or an affiliate) the Powders and the frozen orange juice concentrate used in Orange Julius® products.

## 6.4 Approved Products, Services, and Equipment.

- (A) Company will periodically publish lists of approved products (including ingredients of approved products), approved services, and approved equipment (including an approved menu board system (dine in and drivethru, if applicable)). Licensee must use only the approved products, approved services, and approved equipment in the Restaurant described in the approved products, services, and equipment lists, as they may be periodically modified by Company. Licensee may not test, offer, or sell any new or unapproved products without Company's prior written consent.
- (B) Although they may be approved by Company, Company makes no warranties and expressly disclaims all warranties, including warranties of merchantability and fitness for a particular purpose, with respect to products (including ingredients), services, equipment (including the EPOS System, any required Computer Systems, and any menu board system), supplies, fixtures, furnishings, or other approved items.

- (C) Company has the right to approve the manufacturer, supplier and/or distributor of any approved products (or the ingredients of any approved products), approved services and any approved equipment. Under all circumstances, Company has the right to designate a single approved manufacturer, supplier and/or distributor of:
  - (1) Soft drink products;
  - (2) Third party branded products for use in Licensee's Restaurant;
  - (3) Products relating to limited time offers and special promotions;
  - (4) Equipment, including the EPOS System and Computer Systems, and all related software and back-office hardware and software;
  - (5) Any product, ingredient, service or equipment where Company does not receive any fee or payment with respect to the sale of that product, ingredient, service or equipment, other than payments from vendors for marketing; and
  - (6) The Powders and frozen orange juice concentrate.
- (D) Company has the right to designate a single approved manufacturer, supplier and/or distributor of any other approved products (or the ingredients of any approved products), approved services and any approved equipment but for products, services, and equipment not described in sections 6.4(C) (1) (6), as long as there is not in place an agreement for a unified purchasing program between Company and a cooperative association of DQ® restaurant and store operators to benefit the entire Franchise System in the United States, Licensee may make written request for approval of a specific product, service, or piece of equipment of an additional, qualified manufacturer, supplier or alternate distributor, pursuant to Company's then current policies and procedures.

#### 6.5 EPOS System, Computer Systems, and Internet.

(A) EPOS System and Computer Systems. Licensee must purchase, install and maintain at its own expense an EPOS System and the Computer Systems at the Restaurant. Licensee must purchase the EPOS System and Computer Systems from a source or sources designated by Company. Company may designate a single source from whom Licensee must purchase the EPOS System or Computer Systems, and any components thereof or associated service. As part of the EPOS System or Computer Systems, Licensee may be required to license software from Company, an affiliate or a third party, and Licensee also may be required to pay a software licensing or user fee and support fee in connection with Licensee's use of the EPOS System or Computer Systems. Licensee may periodically be required to enter into license agreements related to Licensee's use of components of the EPOS System or Computer Systems.

Licensee will be required to use and, at Company's discretion, pay for all future updates, supplements and modifications to the EPOS System or Computer Systems. Licensee must allow Company access to Licensee's EPOS System and the Computer Systems, and the data and information they collect and store, at such times and in such a manner as Company periodically designates. Licensee must keep all financial information and customer data produced by or otherwise located on Licensee's EPOS System or Computer Systems secure at all times.

- (B) Internet Access. Licensee must have access at all times to the internet (or future form of electronic communication) at the Restaurant through an established service provider. Licensee must purchase, install and maintain a minimum of one DSL or cable/broadband internet connection and (if required by Company) one additional phone line or other future required communication access device that are exclusively designated and permanently connected to the EPOS System and any required Computer Systems. If the Restaurant is in an area without DSL or cable/broadband internet access, Company may require Licensee to install either a satellite connection, up to three additional phone lines, or any other communication access device or devices necessary to enable Company to communicate with the Restaurant on the same basis as with other newly built DQ® locations. Company may designate the specifications of any future required communication access device or method.
- (C) **Electronic Communication.** Licensee must maintain and regularly use an active email account or other form of electronic communication designated by Company, and keep Company informed of Licensee's contact information.
- **6.6 Vending, Gaming, Alcohol, and Smoking.** Licensee must not permit the following on the Restaurant premises:
  - (A) Video game machines, vending machines or any similar coin-operated or electronic device or machine.
  - (B) The sale, distribution or use of lottery or gambling devices of any nature, alcoholic or intoxicating beverages, or controlled substances.
  - (C) Smoking, and Licensee must post signs on all doors and throughout the Restaurant to announce the smoke-free policy.
- **6.7 Health and Sanitation.** The Restaurant must be operated and maintained at all times in compliance with all applicable health and sanitary standards prescribed by governmental authority. Licensee must also comply with any higher standards that Company prescribes. In addition, if the Restaurant is subject to any sanitary or health inspection by any governmental authorities under which it may be rated in one or more classification, it must be maintained and operated so as to be rated in the highest available health and sanitary classification by the inspecting governmental agency. If Licensee fails to be rated

in the highest classification or receives any notice that it is not in compliance with all applicable health and sanitary standards, it must immediately notify Company of the failure or noncompliance and resolve all non-compliant issues.

- **6.8 Evaluations.** Company or its authorized representative may enter the Restaurant at any time during the business day to:
  - (A) Make periodic evaluations and to ascertain compliance with this agreement;
  - (B) Inspect and evaluate Licensee's Restaurant, building, land and equipment;
  - (C) Test, sample, inspect, and evaluate Licensee's supplies, ingredients and products, and the storage, preparation, and formulation of these items; and
  - (D) Inspect and evaluate the conditions of sanitation and cleanliness in the storage, production, handling, and serving of Licensee's supplies, ingredients, and products.

## 6.9 Period of Operation.

- (A) Open to the Public. Subject to any contrary requirements of local law, the Restaurant must be open to the public and operated at least 12 hours each day of the year, with the exception of New Year's Day, Easter Day, Thanksgiving Day, and Christmas Day. Any variance must be authorized in writing by Company. However, if the Restaurant is in a Captive-venue Location that sets operating hours, then Restaurant must only be open during the required operating hours of that Captive-venue Location.
- (B) **Voluntary Abandonment.** If Licensee voluntarily abandons the franchise, in addition to the other remedies provided for in this agreement, Company may terminate this agreement under section 13.2(C). The following events constitute voluntary abandonment:
  - (1) The Restaurant is closed for 5 consecutive days or more without Company's prior written consent.
  - (2) Failure to commence construction of the Restaurant within 180 days after the Effective Date. If Company terminates the agreement under this subparagraph, then all deposits, including the initial franchise fee, will be returned to Licensee minus the greater of a \$5,000 cancellation fee or Company's actual expenses incurred in connection with processing Licensee's application and providing services for Licensee's benefit.
  - (3) Failure to open and operate the Restaurant within 270 days after the Effective Date, unless an extension of time is authorized in writing by Company.

- (C) Damage or Destruction. If the Restaurant is destroyed or damaged, Licensee must rebuild or repair the destroyed or damaged Restaurant at the Authorized Location in accordance with Company's then current standards and specifications. If the Restaurant closed during rebuilding or repair, then the rebuilt or repaired Restaurant must open within 120 days (if a Captive-venue Location) or 270 days (if a Street Location) of the date of occurrence of its destruction or damage.
- **6.10 Operating Procedures.** Licensee must comply with the required standards, procedures, techniques, and management systems described in the Operations Manual relating to the development and operation of the Restaurant, including product preparation, menu, storage, uniforms, financial management, equipment, facility maintenance, and sanitation. Licensee must promptly notify Company of any claim or litigation in which Licensee is involved that arises from the operation of the Restaurant.
- 6.11 **Operations Manual.** Company will provide on loan to Licensee, during the term of this agreement, a hard copy or electronic or online access to the Operations Manual. The Operations Manual will contain mandatory and suggested specifications, standards and operating procedures that Company develops for DQ® restaurants and information relating to Licensee's other obligations. Any required specifications, standards and operating procedures exist to protect Company's interest in the System and the Trademarks and to create a uniform customer experience, and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Licensee. Company may add to, and otherwise modify, the Operations Manual to reflect changes in authorized products and services, the Company required maximum, minimum, or other prices for Menu items, and specifications, standards and operating procedures of a DQ® restaurant. Company will provide Licensee with notification of any additions and modifications to the Operations Manual. The master copy of the Operations Manual that Company maintains at its principal office or on its website will control if there is a dispute involving the contents of the Operations Manual. Licensee must, at its expense, comply with all provisions of the Operations Manual.

## 6.12 Proprietary or Confidential Information.

- (A) Use and Restrictions. Licensee does not acquire any interest in Confidential Information, other than the right to use it in developing and operating the Restaurant under this agreement. The use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. The Confidential Information is proprietary and is Company's trade secret. Licensee will:
  - (1) not use the Confidential Information in any other business or capacity;
  - (2) maintain the absolute confidentiality of the Confidential Information during and after the term of this agreement;

- (3) not make unauthorized copies of any Confidential Information disclosed in written form;
- (4) adopt and implement all reasonable procedures Company directs to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Restaurant employees;
- (5) not reverse engineer, decompile or disassemble any of Company's proprietary products, formulas, ingredients, or software; and
- (6) ensure that all Owners, the Designated Manager, the Assistant Managers and any other employees with access to Confidential Information abide by the confidentiality obligations in this agreement.
- (B) Compelled Disclosure. The restrictions on Licensee's disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent Licensee is legally compelled to disclose this information, if Licensee uses its best efforts to maintain the confidential treatment of the Confidential Information, and provides Company the opportunity to obtain an appropriate protective order or other assurance satisfactory to Company of confidential treatment for the information required to be disclosed.
- **6.13 Improvements.** If the Licensee, Owners or Licensee's employees or agents conceive or develop any ideas, concepts, products, recipes, process methods, techniques, improvements, or additions relating to the development or operation of a DQ® restaurant or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of the Restaurant, or any advertising or promotion ideas related to the Restaurant, then:
  - (A) Licensee must fully and promptly disclose these to Company;
  - (B) they are Company's property, and Licensee and Licensee's Owners, agents or employees must sign all documents necessary to evidence the assignment of these items to Company without compensation;
  - (C) Company has the perpetual right to use and authorize others to use these items without any obligation to Licensee for royalties or other fees; and
  - (D) Licensee must not introduce into the Restaurant any of these or any additions or modifications to the System without Company's prior written consent.

- **6.14 Website and Other Online Communication.** Company may require Licensee, at Licensee's expense, to participate in websites or other online communication methods (collectively "online communication") that Company sponsors or that are branded with any of the Trademarks. Company will determine the content and use of online communication and will establish the rules under which licensees generally, or Licensee in particular, must participate. Company retains all rights relating to any online communication and may alter or terminate any online communication at any time. Licensee's general conduct on any online communication is subject to this agreement. Licensee's access codes, identification codes and information Licensee receives through access to Company's websites are considered Confidential Information. Licensee's right to participate in online communication, or otherwise use the Trademarks or System on the internet, terminates when this agreement expires or terminates.
- **6.15 Payment Methods.** Licensee must allow its customers to pay for products by credit card, gift card, or other means or method of payment (electronic or otherwise) that Company periodically designates. Licensee must purchase and maintain at its own expense a subscription or other service contracts necessary to facilitate payment by any means or method of payment designated by Company, and Company may require Licensee to pay an operational program fee as described in section 9.4 in connection with a method of payment. Company has designated a single supplier to administer and support all aspects of the Company's gift card program. Licensee must sign the form of gift card participation agreement designated periodically by Company.
- **6.16 Data Security.** Licensee must comply with the Payment Card Industry (PCI) Data Security Standards and all other applicable data security standards.

# 7. PERSONNEL AND SUPERVISION STANDARDS.

- 7.1 **Pre-opening Training.** Licensee must at its own expense comply with all of Company's pre-opening training requirements for the Restaurant within 6 months prior to the Restaurant opening. If Licensee fails to comply with Company's pre-opening training requirements to Company's reasonable satisfaction, Licensee cannot open or operate the Restaurant.
- **7.2 Ongoing Training.** Licensee and its employees must meet Company's ongoing training requirements at Licensee's expense.
- **7.3 Training upon Default.** If Licensee is in default of this agreement for failure to meet any operational standards, Company may require Licensee to comply with additional training requirements prescribed by Company at Licensee's expense as a condition of curing the default.
- 7.4 **In-Restaurant Training Program.** Company may periodically make available, or provide electronic or another form of access, to Licensee an inrestaurant training program at Licensee's expense. Licensee may purchase Company's in-restaurant training program and training updates.

- 7.5 Supervision. Licensee must maintain and operate the Restaurant at the Authorized Location under Licensee's active and continuous supervision in compliance with the System, on the terms of this agreement. At all times for the Restaurant, Licensee must have a Designated Manager and one Assistant Manager if the Restaurant is Licensee's first DQ® treat restaurant, or only a Designated Manager if the Restaurant is License's second or more DQ® treat restaurants, who have all successfully completed all training required by Company prior to starting any management duties. Any new or replacement Designated Manager or Assistant Manager must meet Company's then current training requirements for DQ® treat restaurant managers.
- 7.6 Staffing. Licensee must require all Restaurant employees to work in clean uniforms approved by Company, at Licensee's cost or at the employee's cost at Licensee's election. No employee of Licensee is or will be deemed an employee of Company for any purpose. Licensee will hire all employees of the Restaurant, and be exclusively responsible for the terms of their employment, compensations, scheduling, benefits, disciplining and all other personnel decisions respecting Restaurant employees without any influence or advice from Company. Licensee will implement a training program for Restaurant employees in compliance with Company's requirements. Licensee will maintain at all times a staff of trained employees sufficient to operate the Restaurant in compliance with Company's standards.
- 7.7 Attendance at Meetings. The Controlling Owner must, at Licensee's expense, attend all meetings Company holds or sponsors in Licensee's area or region, including all designated market area or other marketing area meetings for the marketing area in which the Restaurant is located, and all meetings related to new products or product preparation procedures, new System programs, new operational procedures or programs, training, restaurant management, financial management, sales or sales promotion, or similar topics. If the Controlling Owner is unable to attend a meeting, Licensee must notify Company prior to the meeting and cause a substitute person from Licensee's operations acceptable to Company to attend and represent Licensee at the meeting. Company strongly recommends that key employees of Licensee also attend meetings described in this subparagraph.
- **7.8 Cost of Training and Meetings.** Licensee is responsible for any applicable tuition or fee, the salaries, wages, benefits, travel and living expenses, and other related costs for all individuals affiliated with Licensee and the Restaurant who attend any initial training, ongoing training, other training and meetings described in this section 7.
- 8. SALES PROMOTION ACTIVITIES. Licensee will actively promote the Restaurant, abide by Company's advertising requirements, and comply with the following provisions:
  - 8.1 Sales Promotion Activities and Fees. Company may periodically establish, organize, and prescribe sales promotion activities, and Licensee must pay to Company or Company's designee the sales promotion program fee in section 9.3

regardless of whether other Company licensees pay greater, lesser, or no sales promotion program fees. Company has the sole right to determine how the sales promotion program fees will be spent, including the selection of promotional materials and activities. Company and its affiliates have no fiduciary obligation to DQ® licensees with respect to the sales promotion activities or expenditures of sales promotion program fees. The sales promotion program fees are not held by Company in trust. Company will make a good faith effort to expend the fees in the general best interests of the DQ® brand or Franchise System (or one or more components thereof). Company will make available upon request the sales promotion activities receipts and expenditures from the fees collected. Company is not required to audit the sales promotion receipts and expenditures.

- **8.2** Administration Expenses. Company may use a portion of the sales promotion program fees to compensate itself or its affiliates for the expense of administering and promoting sales promotion activities.
- **8.3** Approved Materials. Licensee must only use the sales promotion or other advertising materials that Company furnishes or makes available to Licensee, or that Company approves for use in Licensee's sales promotion activities.

#### (A) Company Provided Materials.

- (1) Company may periodically make available sales promotion or other advertising materials to Licensee at a reasonable cost. Licensee must purchase these materials; however, Company may at its option periodically include the cost of these materials in the sales promotion program fee paid under section 9.3.
- (2) Licensee cannot transfer sales promotion or advertising materials that Company furnishes or makes available to Licensee to any third party or allow a third party to use them. Sales promotion and other advertising materials produced by the national marketing fund ("NMF") administered by Company are licensed only to current NMF participating DQ® restaurants and stores, and may not be transferred to or used in any way by or in non-NMF participating DQ® restaurants and stores.
- (B) **Licensee Developed Materials.** Licensee must submit all sales promotion or other advertising materials developed by Licensee to Company for Company's written approval prior to use.
  - (1) Examples of sales promotion or advertising materials that Company must approve include menu board transparencies, counter mats, counter mat inserts, posters, billboard paper or vinyl, newspaper inserts, lawn signs, banners, menu board or register toppers, window clings, cake freezer merchandising, stanchions/display point-of-purchase, TV and radio creative, online communication, electronic or mobile media, loyalty programs, and direct mail.

- (2) Company will not unreasonably withhold approval of any sales promotion or other advertising materials that Licensee proposes to use, as long as Licensee's materials are factually accurate, current, in good condition, in good taste, of like quality to and not in conflict with sales promotion and other advertising materials Company furnishes or makes available to Licensee, and accurately depict the products and Trademarks.
- (3) Company owns and can use and permit others to use any sales promotion or other advertising materials, ideas, concepts or programs developed by Licensee.

#### 9. FEES, REPORTING, AND AUDIT.

- **9.1** Initial Franchise Fee. Licensee must pay to Company an initial franchise fee of \$25,000, which has been paid prior to or upon the date of execution of this agreement. Except as described in this agreement, the initial franchise fee is not refundable.
- **9.2** Continuing License Fee. Licensee must pay to Company monthly a continuing license fee of 5% of Gross Sales.

# 9.3 Sales Promotion Program Fee.

- (A) Licensee must pay to Company monthly a sales promotion program fee of:
  - (1) For Orange Julius® branded products, up to 6% of Gross Sales. The current fee is 5% for Street Locations, and 1.25% for Captive-venue Locations;
  - (2) For all other products, 5% 6% of Gross Sales.
- (B) Company will determine the exact percentage to be paid by Licensee within the ranges in section 9.3(A) without regard to the amount that any other licensee of Company may pay. Company will let Licensee know at least 90 days in advance of imposing any requirement that Licensee pay a higher percentage within the applicable range.
- (C) Licensee must also pay all sales promotion fees required by any lease or sublease for the Restaurant premises, and must comply with all sales promotion requirements of Licensee's lease or sublease. If Licensee is Company's or an affiliate's sublessee, then Licensee must to pay the required lease sales promotion fees to Company in addition to the fee payable under section 9.3(A), even if the landlord delays or fails to enforce prompt compliance with all lease requirements.
- **9.4 Operational Program Fees.** Licensee must pay to Company, or Company's designee, fees for any costs associated with administering programs established by Company in connection with operational programs and initiatives that are implemented generally for the Franchise System.

# 9.5 Computations and Remittances.

- (A) Subject to section 9.6, all amounts due under this agreement, except the initial franchise fee, must be computed at the end of each month's operation and paid as described in section 9.7 to Company within 10 days after the end of the month. Licensee must certify the computation in the manner and form specified by Company, and Licensee must supply to Company supporting or supplementary materials as Company reasonably requires to verify the accuracy of Licensee's remittances.
- (B) Licensee waives all existing and future claims to offset against amounts due under this agreement, which amounts must be paid when due. Company may apply or cause to be applied against amounts due to Company (or any of its affiliates) amounts which are held by Company or its affiliates on Licensee's behalf or owed to Licensee by Company or its affiliates.
- **9.6 Weekly Payment.** If Licensee fails to timely make any payment or timely submit any monthly report due to Company, then Company may require Licensee to pay continuing license and sales promotion program fees on a weekly basis. If Company requires weekly payment, then:
  - (A) Company will establish a reasonable estimate of the amount of continuing license and sales promotion program fees that Licensee must pay to Company each month. Based on this estimate, Company will establish the amount that Licensee must pay to Company each week.
  - (B) Company will credit all payment amounts it receives from Licensee against the continuing license and sales promotion program fees due from Licensee to Company at the end of each month's operations.
  - (C) Company will submit to Licensee a monthly reconciliation of Licensee's continuing license and sales promotion program fees account showing the credits to Licensee's account from amounts collected by Company through the weekly payments. If Licensee fails to submit reports under section 9.9, then Company may make the reconciliation in conformance with Company's determination as to amounts due. Unless Licensee provides evidence in a form satisfactory to Company of the correct amounts due within 14 days after Company provides notice to Licensee, then Company's reconciliation will be conclusive as to the amounts due to Company from Licensee. Licensee must pay any amounts due immediately at the end of the 14 days. If Company determines that Licensee has overpaid continuing license or sales promotion program fees, Company will remit to or credit Licensee an amount equal to the excess fees collected at the time the reconciliation is provided to Licensee.
  - (D) Company will collect, via the method described in section 9.7, all weekly payments and any amounts due to Company after Company's reconciliation.

- (E) Company may periodically revise the amount that Licensee is required to pay to Company each week if Company determines that the amount is too low or high as compared to the actual continuing license and sales promotion program fees due to Company from Licensee each month.
- **9.7** Electronic Funds Transfer. Licensee must sign an electronic transfer of funds authorization, or other documents that Company designates periodically, to authorize and direct Licensee's bank or financial institution to transfer either electronically or through some other method of payment Company designates, directly to the account of Company or its affiliates and to charge to the account of Licensee all amounts due to Company or its affiliates from Licensee. Licensee's authorizations permit Company or its affiliates to designate the amount to be transferred from Licensee's account. Licensee must maintain a balance in its account sufficient to allow Company and its affiliates to collect the amounts owed to them when due. Licensee is responsible for any penalties, fines or other similar expenses associated with the transfer of funds described in this subparagraph. Company may require Licensee to pay as described in this section, regardless of whether Company imposes the same requirement on other DQ® licensees.
- **9.8** Interest; Late Fees. All amounts owed by Licensee to Company or its affiliates under this agreement will bear interest at the lesser of 18% per annum or the maximum rate of interest permitted by governing law. Company may also charge Licensee a \$50 fee for each late report or payment owed to Company under this agreement. This fee is not interest or a penalty, but compensates Company for increased administrative and management costs due to late payment. A payment is late if:
  - (A) It is not received by Company on or before the date due;
  - (B) The payment is received by Company on or before the date due, but is not honored by Licensee's bank or financial institution; or
  - (C) There are insufficient funds in Licensee's bank account on or after the due date to collect a payment by the method of payment described in section 9.7.

# 9.9 Reports.

- (A) Monthly Report. Licensee must electronically (or using another method periodically required by Company) complete and submit to Company monthly reports with information from the previous calendar month on Company's then-current form. The reports are due within 10 days after the end of each month. The report must include the following information:
  - (1) Amount of gross receipts of the Restaurant;
  - (2) Amount of sales tax;

- (3) Gross Sales and the computation of the continuing license fee, sales promotion program fee, and any other applicable fees listed in section 9;
- (4) Total volume of mix, weight of meat and other commodities that Company may designate, and the sources from which obtained; and
- (5) Other information about the Restaurant requested by Company.
- (B) Profit and Loss Statement. Licensee must submit to Company a monthly profit and loss statement for the Restaurant, in a format designated by Company (which will include items such as a summary of cost of goods, utilities, labor, rent, and other material cost items), by the 20<sup>th</sup> day of the following month.
- (C) **Sales Tax and Other Information.** If requested by Company to verify Licensee's Gross Sales, Licensee must submit copies of its most recent sales tax return and all Business Records required by Company under Company's then-current audit policies.
- (D) Right to Use Information. Licensee must allow Company electronic and manual access to all Business Records and Licensee hereby consents to Company's use in any manner permitted by law, of the Business Records and other information relating to the Restaurant that Licensee submits to Company, or that Company obtains through review of Licensee's Business Records or by accessing Licensee's EPOS System or Computer Systems. Company may share this information with third parties, including consultants, and existing and potential franchisees.
- **9.10** Financial Books and Records. Licensee must employ sound financial management and planning practices in connection with the Restaurant, and keep accurate Business Records in an electronic format using a methodology approved by Company.
  - (A) Licensee must keep its Business Records, and the information, data and statistics that are the basis for the Business Records, for at least 5 full calendar years from the date of preparation or any longer period required by applicable law.
  - (B) Business Records must be compiled, kept and submitted to Company on the forms, in the manner (electronically or another format), and using the methods of bookkeeping and accounting that Company periodically prescribes. Licensee must provide this information to Company according to reporting formats, methodologies and time schedules periodically established by Company. Upon Company's request, Licensee must submit tax returns relating to the Restaurant to Company.

#### 9.11 Audit.

- (A) **On-site Audit.** Company or its authorized representative may at all times during the business day enter the premises where Licensee keeps its Business Records, and evaluate, copy and audit the Business Records.
- (B) **Off-site Audit.** In addition to or instead of an on-site audit, Company may require Licensee to give Company, at Licensee's expense, copies of the Business Records requested by Company.
- (C) **Understatement of Gross Sales.** In addition to any other rights Company may have, if any audit reveals that the Restaurant's Gross Sales have been understated by 3% or more, Licensee must reimburse Company for all costs of the audit, including salaries, outside accountant fees, outside attorneys' fees, copying costs, postage, travel, meals, and lodging ("audit costs"), and for all audit costs incurred in connection any additional periodic on-site or off-site audits of the Business Records that Company reasonably deems necessary for up to 2 years after the initial audit. Upon Company's request, Licensee must submit tax returns for all Owners to Company. If Licensee intentionally understates or underreports Gross Sales, continuing license fees, or sales promotion program fees, or if an additional audit conducted within the 2-year period reveals an understatement or variance of 3% or more, in addition to any other remedies provided for in this agreement, at law or in equity, Company may terminate this agreement in accordance with section 13.2(C).
- (D) Sales Reconstruction. In order to verify the information supplied by Licensee in the Business Records, Company may reconstruct Licensee's sales through the inventory extension method or any other reasonable method of analyzing and reconstructing sales. Licensee will accept a reconstruction of sales unless Licensee provides evidence in a form satisfactory to Company of Licensee's actual sales within 14 days from the date that Company provides notice to Licensee of the understatement. Any amounts payable to Company because of the understatement are due immediately at the end of the 14 days.

# 10. LICENSEE'S OTHER OBLIGATIONS.

# 10.1 Payment of Debts.

- (A) Licensee must pay promptly when due all:
  - (1) Payments, obligations, assessments and taxes due and payable to Company and its affiliates, vendors, suppliers, lessors, federal, state or local governments, or creditors in connection with the Restaurant;
  - (2) Liens and encumbrances of every kind and character created or placed upon or against any of the property owned by the Restaurant; and

- (3) Accounts and other indebtedness incurred by Licensee relating to the Restaurant.
- (B) If Licensee defaults on any payment listed in section 10.1(A), Company may pay it on Licensee's behalf and Licensee must promptly reimburse Company on demand for the payment.
- **10.2 Liability and Indemnification.** Licensee waives all claims against Company for damages to property or injuries to persons arising out of the operation of the Restaurant. Licensee must fully protect, indemnify and defend Company and its affiliates and hold them harmless from and against any and all claims, demands, damages, and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the Restaurant (regardless of cause or any concurrent or contributing fault or negligence of Company) or any breach or failure to comply with this agreement.

#### 10.3 Insurance.

- (A) Licensee must purchase and maintain at its own expense liability insurance at a minimum limit of liability designated periodically by Company, but not less than \$2,000,000 per occurrence, or a higher amount that Company may in the future require of similarly situated franchisees or that a lessor of the Restaurant premises may require. The insurance coverage must start on the earlier of the date Licensee takes possession of the Authorized Location or the date Licensee begins operating the Restaurant, and continue through the later of the Expiration Date or the date the Restaurant closes. Licensee must annually, or any shorter period of time at Company's request, deliver to Company a certificate of insurance and additional insured and other endorsements showing compliance with this section 10.3. The insurance coverage must:
  - (1) Insure Licensee, Company, Company's affiliates and any other person or entity designated by Company by name from liability for any and all such damage and injury;
  - (2) Be written with a company rated no less than "A" by AM Best Insurance Rating;
  - (3) Name International Dairy Queen, Inc. and its affiliates as an additional insured; and
  - (4) Provide that Company will be given 30 days' prior written notice of material change in or termination or cancellation of the policy.
- (B) Licensee must purchase and maintain workers' compensation insurance and all additional insurance that may be required by law or other agreement related to the Restaurant.

- (C) If Licensee does not procure and maintain the required insurance coverage, Company may procure insurance coverage for Licensee and charge the cost to Licensee, together with a reasonable fee for Company's expenses in doing so, payable by Licensee immediately upon notice.
- (D) Licensee's obligation to obtain and maintain these insurance policies in the amounts specified is not limited in any way by reason of any insurance that Company may maintain, nor does Licensee's procurement of required insurance relieve Licensee of liability under the indemnity obligations described in Section 10.2 of this Agreement. Licensee's insurance procurement obligations under this Section are separate and independent of Licensee's indemnity obligations.
- (E) Company does not represent or warrant that any insurance that Licensee is required to purchase will provide adequate coverage for Licensee. The requirements of insurance specified in this Agreement are for Company's protection. Licensee should consult with its own insurance agents, brokers, attorneys and other insurance advisors to determine the level of insurance protection it needs and desires, in addition to the coverage and limits required by Company.
- 10.4 Compliance with Laws. Licensee must at all times maintain the Restaurant premises and conduct the Restaurant in compliance with all applicable laws, regulations, codes and ordinances. Licensee must comply with all privacy policies that Company may establish. Licensee is an independent business and responsible for control and management of the Restaurant, including matters such as hiring and discharging Licensee's employees, and setting and paying wages and benefits of Licensee's employees. Company has no power, responsibility or liability in respect to these or related matters. Licensee has had an opportunity to obtain legal advice regarding, and currently complies with, all applicable legal requirements that prohibit unfair, fraudulent or corrupt business practices, including U.S. and other legal requirements that are designed to combat terrorism and terrorist activities. In addition, neither Licensee nor Owner is named as a "specially designated national" or "blocked person" as designated by the United States Department of the Treasury's Office of Foreign Assets Control.
- 10.5 In-Term Noncompete. During the term of this agreement, Licensee, the Designated Manager, a Principal Owner, or an officer or director of a Principal Owner owning a 20% or greater interest in Licensee cannot, without Company's prior written consent, directly or indirectly operate, permit to be operated, or hold any interest in any Competitive Business.

# 11. TRANSFER OF FRANCHISE.

**11.1 Consent Required.** Company enters this agreement with specific reliance upon the financial qualifications, personal experience, skills, and managerial and financial qualifications of the Licensee and its Owners. Because of this, no

transfer may be made in whole or part, whether in one or more transactions, without Company's consent.

- **11.2 Definition of Transfer.** A "transfer" is defined as a sale (including an installment sale), lease, pledge, contract for deed, option agreement, assignment, bequest, gift, transfer of interest upon death or disability, management agreement (or any other arrangement pursuant to which Licensee or an Owner turns over all or part of the daily operation of the Restaurant to a person or entity who shares in the losses or profits of the Restaurant in a manner other than as an employee or agent of Licensee), or disposal of the Restaurant, any assets, revenues or profits of the Restaurant (except in the ordinary course of business), or any direct or indirect ownership interest in this agreement, the Restaurant, the Licensee, or an Owner to any other person or entity (a "transferee"). If Licensee or any Owner is a trust, a "transfer" also includes any modification, amendment, revocation or restructuring of the trust (including but not limited to any change in the roles of or individuals named as beneficiaries, trustees, grantors, settlors or other similar positions of the trust) that would result in any change of control of Licensee or any Owner.
- **11.3 Requirements for a Transfer.** The following requirements must be satisfied before Company will consent to any direct or indirect transfer or proposed transfer of this agreement, the Restaurant, or any ownership interest in this agreement, the Restaurant, the Licensee, or an Owner:
  - (A) Application. Licensee must immediately notify Company of a proposed transfer, promptly submit to Company a transfer request and release of information form and provide Company with a complete application for consent to transfer at least 90 days before the effective date of the transfer. The transfer request and release of information form and application must be completed on Company's then-current forms and accompanied by all other documents required by Company.

# (B) **Right of First Refusal.**

- (1) **Offer.** In the event of a proposed transfer, Licensee must give Company a copy of the purchase agreement or other written statement with the terms of the offer, signed by both the offeror and Licensee, along with such additional information concerning the transaction as Company may reasonably require, which may include a copy of the lease, financial information, tax returns and other documents typically provided to a buyer. Company has the right (at its option, upon written notice to Licensee) to assign to a third party Company's right of first refusal.
- (2) **Insolvency.** If the proposed transfer results from Licensee's insolvency or the filing of any petition by or against Licensee under a bankruptcy or insolvency law ("bankruptcy"), Licensee must first offer to sell to Company Licensee's interest in this

agreement and the land, building, equipment, furniture and fixtures, and leasehold interest used in the operation of Licensee's Restaurant ("bankruptcy assets"). The purchase price of the bankruptcy assets will be established by a qualified appraiser selected by the parties. If the parties cannot agree upon an appraiser, upon petition of either party, one will be appointed by a judge of the United States District Court in the Authorized Location's state. Licensee or Licensee's legal representative must deliver to Company a written statement incorporating the appraiser's report. The transaction documents will be prepared by Company, and will be as customary for this type of transaction.

- (3) Acceptance and Closing. Company has 30 days from Company's receipt of the statement setting forth the third-party offer and such other information requested by Company, or the appraiser's report to accept the offer by delivering written notice of acceptance to Licensee. Company's acceptance will be on the same price and terms set forth in the statement except that Company may substitute equivalent cash for any noncash consideration and the terms will include the customary representations and warranties as to ownership, condition of and title to assets, loans and encumbrances on the assets, validity of contracts and agreements and contingent and other liabilities afforded the assets. Company has 30 days after accepting the offer to close on the sale.
- (4) Failure to Accept. If Company fails to accept the offer within the 30 day period, Licensee has 60 days to effect the disposition described in the statement delivered under 11.3(B)(1) or 11.3(B)(2) to Company if the transfer is otherwise in compliance with section 11. Licensee cannot effect any other transfer of Licensee, this agreement or the Restaurant without first complying with the right of first refusal requirements.
- (C) Security Interest. Neither Licensee nor an Owner may retain a security or other financial interest in the property to be transferred without Company's prior written consent and except upon conditions acceptable to Company. Licensee must inform Company if Licensee or an Owner proposes to retain a security or other financial interest.
- (D) **Transferee Requirements.** The transferee must meet Company's then current requirements for transferees, including those relating to financial position and management and operational experience.
- (E) Transfer Fee.
  - (1) **Amount.** Licensee must pay Company a transfer fee of \$5,500, which is due when Licensee submits the application for consent of

the transfer. The transfer fee increases by \$500 on January 1, 2025, and on each 5-year anniversary of that date.

- (2) **Refund.** If Company exercises its right of first refusal or does not consent to a proposed transfer, Company will return the transfer fee to Licensee, minus any actual expenditures or disbursements made by Company in direct connection with evaluating or processing the proposed transfer, together with an itemized statement of these costs. The transfer fee is not refundable in whole or in part except as expressly stated in this agreement.
- (F) Payment of Amounts Owed. All amounts owed by Licensee to Company or any of Company's affiliates, Licensee's suppliers, or any landlord for the Restaurant premises and Authorized Location, or upon which Company or any of Company's affiliates have any contingent liability, must be paid in full.
- (G) **Compliance with Agreement.** Licensee must be in full compliance with the terms of this agreement, including providing Company with all reports required in sections 9.9 and 9.10 through the effective date of the transfer.
- (H) Guarantee. All Owners of transferee must sign Company's then current form of undertaking and guarantee. In addition, if Company allows Licensee or an Owner to retain a security or other financial interest in this agreement or the Restaurant after the transfer, then Licensee and the Owner must guarantee the performance of this agreement until the security or other financial interest terminates.
- (I) **General Release.** Licensee, each Owner, and each guarantor must sign a general release of all claims arising out of or relating to this agreement, Licensee's Restaurant, or the parties' business relationship, in the form designated by Company, releasing Company and its affiliates.
- (J) **Training.** The transferee must, at Licensee's or transferee's expense, comply with Company's then current training requirements for DQ® Treat restaurants.
- (K) Financial Reports and Data. Company may require Licensee to prepare and furnish to transferee or Company financial reports and other data relating to the Restaurant and its operations as Company deems reasonably necessary or appropriate for transferee or Company to evaluate the Restaurant and the proposed transfer. Company may confer with proposed transferees and furnish them with information concerning the Restaurant and proposed transfer without being held liable to Licensee, except for intentional misstatements made to a proposed transferee. Any information furnished by Company to proposed transferees is for the sole purpose of permitting the transferees to

evaluate the Restaurant and proposed transfer and will not be construed in any manner or form whatsoever as financial performance representations or claims of success or failure.

- (L) **Then Current Operating Agreement.** Transferee must sign Company's then current operating agreement, which may have materially different terms and conditions, including higher or additional fees.
- (M) Facility Items and Modernization. Licensee must complete the repairs, maintenance, and other similar items at the Restaurant that Company specifies in writing. In addition, if Licensee has not completed a modernization under section 5.5 in the past 10 years, then Licensee must complete the modernization prior to the effective date of the transfer. If Licensee has completed a modernization under section 5.5 in the past 10 years, then transfere will be required to complete the next modernization by the date Licensee would have been required to modernize under this agreement.
- (N) Transfer Agreement. Licensee (and each Owner) must sign an agreement, in form satisfactory to Company, in which Licensee and each Owner covenant to observe the post-termination covenant not to compete and all other applicable post-termination obligations described in this agreement.
- (O) **Other Conditions**. Company may expand upon, and provide more details related to, the conditions for transfer and our consent as described in this Section 11.3, and may do so in the Operations Manual or otherwise in writing. Licensee and each transferee must comply with any other conditions that Company reasonably requires periodically as part of its transfer procedures.
- **11.4 Consent Not Unreasonably Withheld.** As long as Licensee and transferee meet Company's applicable requirements for a transfer, Company will not unreasonably withhold consent for the transfer.
- 11.5 Transfer Void. Any attempted transfer by Licensee without Company's prior written consent or otherwise not in compliance with the terms of this agreement is void and gives Company the right at its option to either default and terminate this agreement, or to consent to the transfer and collect from Licensee and the guarantors a transfer fee equal to two times the transfer fee provided for in section 11.3(E)(1).
- **11.6 Transfer by Company.** Company can transfer, in whole or in part, its interest in this agreement without Licensee's consent. Following the effective date of any assignment, Licensee will look solely to the transferee or assignee, and not to Company, for the performance of all obligations under this agreement.

#### 12. DISPUTE RESOLUTION.

- 12.1 Arbitration. Subject to section 12.2, any dispute between Licensee and Company, or any of their affiliates, arising under, out of, in connection with or in relation to this agreement, any lease or sublease for the Restaurant or Authorized Location, the parties' relationship, or the Restaurant must be submitted to binding arbitration under the authority of the Federal Arbitration Act ("FAA"). Any state laws attempting to prohibit arbitration or void out of state forums for arbitration are preempted by the FAA. The dispute must be arbitrated in accordance with the then current rules and procedures and under the auspices of the American Arbitration Association ("AAA"), except to the extent the rules and procedures are modified below.
  - (A) The then-current AAA Large, Commercial Case Rules apply where the matter in controversy in the arbitration proceeding is at least \$500,000. The matter in controversy is defined not only by the amount of the demand, but also by the value of the matter to the parties to the arbitration. The AAA will decide the amount of the matter in controversy, subject to a challenge of the AAA decision by either party to the arbitrator(s).
  - (B) The arbitrator(s) has the power to rule on his or her own jurisdiction, including any objections with respect to the existence, scope, or validity of the arbitration agreement or to the arbitrability of any claim or counterclaim. The arbitrator(s) has the power to determine the existence or validity of a contract of which an arbitration clause forms a part. Such an arbitration clause will be treated as an agreement independent of the other terms of the contract. A decision by the arbitrator(s) that the contract is null and void will not for that reason alone render invalid the arbitration clause.
  - (C) Multiparty arbitration is specifically prohibited, and any arbitration will be on an individual basis alone; the arbitration may not be consolidated or otherwise joined with any other proceeding. The arbitrator will have no authority or power to proceed with any claim as a multiparty proceeding or a class action or to otherwise join or consolidate any claim with any other claim or any other proceeding involving third parties.
  - (D) The arbitration must take place in Minneapolis, Minnesota, or at another place mutually agreed upon by the parties.
  - (E) Except as may be required by law, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration under this section 12.1 without the prior written consent of both parties.
  - (F) Except for the appeal process described in section 12.1(G), the decision of the arbitrator(s) will be final and binding on all parties to the dispute; however, the arbitrator(s) will have no authority or power to: (i) stay the effectiveness of any pending termination of this agreement; (ii) assess

punitive or exemplary damages; or (iii) make any award that extends, modifies or suspends any lawful term of this agreement or any reasonable standard of business performance set by Company. The arbitrator(s) must also follow the applicable law and may not disregard the law based on principles of justice or equity which are not a specific part of the applicable law. A judgment may be entered upon the arbitration award by any state or federal court in Minnesota or the state of the Authorized Location.

- (G) Any award rendered by the arbitrator(s) may be appealed pursuant to the AAA's Optional Appellate Arbitration Rules in effect as of the Effective Date of this agreement ("Appellate Rules"). Any award will, at a minimum, be a reasoned award. The award will not be considered final until after the time for filing the notice of appeal pursuant to the Appellate Rules has expired. Appeals must be initiated within thirty days of receipt of an award, as defined by Rule A-3 of the existing Appellate Rules, by filing a notice of appeal with any AAA office. The appeal tribunal may affirm, reverse, or modify the award of the arbitrator(s), or return the matter to the arbitrator(s) for further action. A final award may be entered once the appeal process is complete or the time for filing an appeal has expired, and a judgment may be entered upon the arbitration award in accordance with the procedures identified in section 12.1(F).
- 12.2Injunctive Relief. The Restaurant is one of a large number of restaurants and stores identified by the Trademarks selling similar products to the public. The failure on the part of a single licensee to comply with the terms of its agreement could cause irreparable damage to Company or to some or all of Company's other licensees. Therefore, in the event of a breach or threatened breach of any of the terms of this agreement by a party, the other party is entitled to an injunction from a court of law restraining the 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 the equitable relief, until a final and binding determination is made by the arbitrators. The arbitrator(s) has no authority to award interim, injunctive, or other equitable relief pending conclusion of the arbitration proceeding. Any equitable remedies are in addition to, not in lieu of, all other remedies or rights which the parties might otherwise have by virtue of any breach of this agreement by the other party. Company and its affiliates have the right to commence a civil action in any court of competent jurisdiction against Licensee or take other appropriate action to obtain injunctive relief (whether temporary, preliminary or permanent) to compel Licensee's compliance with trademark standards and requirements to protect the goodwill of the Trademarks (including enforcement of the non-compete provisions in section 10.5 and 14.6) without having to file an arbitration demand.
- **12.3** 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 Restaurant or Authorized Location, the parties' relationship, or the Restaurant is entitled to recover its reasonable attorneys' fees and costs.

**12.4** Jury Trial. The parties irrevocably waive any right they may have to a jury trial.

# 13. DEFAULT AND TERMINATION.

- **13.1 Default.** Licensee is in default of this agreement if Company determines that Licensee or any Owner or guarantor has breached any of the terms of this agreement or any other agreement between Licensee and Company or its affiliates, which includes:
  - (A) Making any false report to Company;
  - (B) Failure to submit to Company the lease (if applicable) for the Authorized Location prior to the Restaurant opening;
  - (C) Failure to submit any required report when due;
  - (D) Intentionally understating or underreporting, or failure to pay when due any amounts required to be paid to Company or any of Company's affiliates whether under this agreement or otherwise or to any third party as required by this agreement;
  - (E) Licensee, an Owner, or a guarantor being charged with any felony or misdemeanor which brings or tends to bring any of the Trademarks into disrepute or impairs or tends to impair the goodwill of any of the Trademarks;
  - (F) Failing an evaluation under section 6.8, or failure to abide by Company's standards and requirements in connection with the operation of the Restaurant;
  - (G) Violation of the Licensee's confidentiality obligations under this agreement;
  - (H) Filing of tax or other liens which may affect this agreement, or voluntary or involuntary bankruptcy, by or against Licensee 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; or
  - (I) Failure to meet any requirements or specifications established by Company with respect to product quality, physical property, conditions of equipment or materials used, products manufactured, Menu, or use of approved products, packaging or promotional materials.
- **13.2 Termination.** Company can terminate this agreement in accordance with the following provisions:
  - (A) **Opportunity to Cure.** Except as set out in sections 13.2(B) and (C), Licensee has (i) 10 days from the date of a written notice of default to

cure a default for failure to submit any required report when due or to pay when due any amounts required to be paid to Company or any of Company's affiliates and (ii) 30 days from the date of a written notice of default to cure any other default under this agreement. Licensee's failure to cure a default within the cure period will provide Company with good cause to terminate this agreement, and the termination will be accomplished by mailing or delivering to Licensee written notice of termination that will identify the grounds for the termination.

- (B) Twenty-Four Hours to Cure. If a default under this agreement materially impairs the goodwill associated with any of the Trademarks or the operation, maintenance or construction of the Restaurant results in a threat or danger to the public health or safety (for example, violating any of Company's zero tolerance policies or food safety requirements), then Licensee will have 24 hours after Company provides notice of the default to cure the default. Company has the right to require Licensee to close the Restaurant immediately upon notice and keep it closed until such time as the default is cured. If the default is not cured within 24 hours, or Licensee fails or refuses to close the Restaurant upon notice from Company, the termination will be effective immediately upon notice of termination. Notwithstanding any notice provisions under this agreement, notices under this section are deemed received when, as shown in Company's records, actual notice was given to the Controlling Owner, a Principal Owner, the Designated Manager, or the person designated to receive notices under section 15.3(B), whether delivered personally, by phone, fax, email, or reputable overnight service.
- (C) **Immediate Termination.** Licensee has no right to cure the following defaults and this agreement terminates immediately on Company's issuance of written notice of termination:
  - (1) Licensee's loss of the right to occupy the Restaurant premises;
  - (2) If the Restaurant is destroyed or damaged, Licensee's failure to repair and reopen for operation the Restaurant at the Authorized Location within 270 days of the date of occurrence of the destruction or damage (as described in section 6.9(C));
  - (3) Licensee's failure to relocate and reopen in accordance with and within the time periods and conditions set forth in section 5.4;
  - (4) Voluntary abandonment as defined in section 6.9(B);
  - (5) Insolvency of Licensee or a Principal Owner or guarantor, or Licensee's or a Principal Owner's or guarantor's making an assignment or entering into any similar arrangement for the benefit of creditors;

- (6) Conviction of Licensee or any Owner, the Designated Manager or a guarantor of an offense directly related to the Restaurant;
- (7) Intentionally understating or underreporting Gross Sales, continuing license fees or sales promotion program fees as described in section 9.11(c);
- (8) Any default by Licensee which is the third default within any consecutive 12-month period; or
- (9) Licensee or an Owner is named as a specially designated national or blocked person as designated by the United States Department of the Treasury's Office of Foreign Assets Control.
- (D) Termination Fee. Upon Company's termination of this agreement for any reason under section 13.2, Licensee must pay to Company, within 30 days of the date of the termination, a termination fee as calculated below to compensate Company for anticipated and reasonably estimated lost profits. This subparagraph is not applicable to any termination or cancellation of a franchise agreement for an Authorized Location that did not open. The termination fee will be calculated as follows:
  - (1) Two times the continuing license fees payable to Company for the last 12 months of the Restaurant's active operations;
  - (2) If the Restaurant opened but did not operate for a full 12 months before the date of termination, 24 multiplied by the average monthly continuing license fees payable to Company from the date of opening through the date of termination; or
  - (3) If there are less than 24 months remaining on the term, the number of months remaining on the term multiplied by the average monthly continuing license fees payable to Company for the last 12 months of the Restaurant's active operations.
- (E) **Effect of Other Laws.** Any valid, applicable law or regulation establishing permissible grounds, cure rights, or minimum periods of notice for termination of this franchise supersedes any provision of this agreement less favorable to Licensee than the law or regulation.
- **13.3 Termination by Licensee.** Licensee may terminate this agreement as a result of a breach by Company of a material provision of this agreement after Licensee provides Company written notice of the breach that identifies the grounds for the breach, and Company fails to cure the breach within 30 days after Licensee provides written notice to Company. The termination will be effective 60 days after Licensee provides written notice of the breach to Company. Licensee's termination of this agreement under this section 13.3 does not release or modify Licensee's post-term obligations under section 14.

- 14. **POST-TERM OBLIGATIONS.** Upon the expiration or termination of this agreement:
  - 14.1 **Reversion of Rights.** All rights of Licensee to use the Trademarks, all other rights and licenses granted under this agreement, and the right and license to conduct business under the Trademarks at the Authorized Location revert to Company without further act or deed of any party. All right, title and interest of Licensee in, to and under this agreement and any operational goodwill become the property of Company.

# 14.2 Stop Using Trademarks.

- (A) Licensee must immediately stop using and displaying the Trademarks and any point-of-sale materials and other sales promotion and advertising materials furnished, made available or approved by Company, and must stop using Company's Confidential Information (including the Operations Manual). Licensee must immediately return to Company all copies of the Operations Manual and any other Confidential Information in Licensee's possession or control, or previously disseminated to Licensee's employees.
- (B) Subject to section 14.5, Licensee must, within 20 days, at Licensee's expense, remove or obliterate all Restaurant signage, displays, photos and other materials in Licensee's possession at the Authorized Location or elsewhere that bear any of the Trademarks or names or material confusingly similar to the Trademarks. Licensee must also, within 20 days, alter the appearance of the Restaurant, including removal or substantial modification of any trade dress, so as to differentiate the Restaurant unmistakably from duly licensed restaurants and stores identified by the Trademarks.
- (C) If Licensee does not comply with section 14.2(B) within 20 days, Company may enter the Authorized Location and remove all Restaurant signage, displays, photos or any other materials in Licensee's possession at the Authorized Location or elsewhere that bear any of the Trademarks or names or material confusingly similar to the Trademarks, and Licensee must reimburse Company for Company's costs incurred in connection with this removal.
- (D) If, despite not being permitted to do so, Licensee owns or controls any domain name registrations in connection with the Restaurant or that include any of the Trademarks, Licensee agrees to promptly transfer ownership of such domain names to Company and execute any documents the domain name registry requires in connection with the transfer of these domain name registrations to Company.
- 14.3 Liable for Obligations. Licensee remains liable for its obligations under any applicable lease or sublease for the Restaurant premises and Authorized Location, and its other applicable obligations under this agreement or any other agreement between Licensee and Company or Company's affiliates.

- 14.4 Amounts Owed. Licensee must pay all sums due to Company, its affiliates or designees, or that Licensee owes to third parties which have been guaranteed by Company or any of its affiliates, within 10 days of the termination or expiration of this agreement.
- 14.5 Purchase Option. Company may purchase or designate a third party to purchase any or all of the assets of the Restaurant that are owned by Licensee or any of Licensee's affiliates including the land, building, equipment, fixtures, signage, furnishings, supplies, leasehold, leasehold improvements, and inventory of the Restaurant, upon the following conditions:
  - (A) Company must give Licensee written notice of its intent to exercise its purchase rights under this section 14.5 within 30 days after the date of the expiration or termination of this agreement.
  - (B) The purchase will be at a price determined by a qualified appraiser paid for by Company and selected with the consent of both parties. The price determined by the appraiser will be the reasonable fair market value of the assets based on their continuing use in, as, and for the operation of a DQ® Treat restaurant and the appraiser will designate a price for each category of asset (e.g., land, building, equipment, fixtures, etc. but not good will). If the parties cannot agree upon an appraiser, either party may petition a judge of the United States district court for the district in which the Authorized Location is located to appoint an appraiser.
  - (C) Within 45 days after Company's receipt of the appraisal report, Company must inform Licensee if Company or Company's designee intends to purchase any or all of the assets at the price in the appraisal report. Company or its designated purchaser and Licensee must complete and close the purchase of the designated assets in a commercially reasonable time and manner. Company may reduce the price paid for the assets by any unpaid portion of the termination fee due under section 13.2(D) of this agreement.
  - (D) Upon Company's or its designated purchaser's exercise of the purchase option and tender of payment, Licensee agrees to sell and deliver, and cause its affiliates to sell and deliver, the purchased assets to Company or its designated purchaser, free and clear of all encumbrances, and to execute and deliver, and cause its affiliates to execute and deliver, to Company or its designated purchaser a bill of sale for the assets or any other documents as may be commercially reasonable and customary to effectuate the sale and transfer of the assets being purchased.
- 14.6 Post-Term Noncompete. Licensee and the Principal Owners cannot directly or indirectly (including acting as a lessor, lessee, officer, director, partner, employee, consultant, shareholder or lender) own, operate, lease, engage in, conduct, have any interest in, or assist any other person or entity to engage in, any Competitive Business for one year after the date of expiration or termination by either party with or without cause (i) within 500 meters of the Authorized Location if the

Restaurant is a Street Location, or (ii) within the building or venue that the Authorized Location was in if the Restaurant is a Captive-venue Location.

- **14.7 Confidentiality.** Licensee and its and Owners must comply with the confidentiality provisions of section 6.12.
- 14.8 Time Period for Bringing Claims. Claims by Company for underreporting Gross Sales, for indemnification, or for claims related to Company's rights under the Trademarks are subject only to the applicable state or federal statute of limitation. Any other claim arising out of or relating to this agreement, the relationship of the parties, Company's operations relating to the Franchise System, or Licensee's operation of the Restaurant will be barred unless filed before the expiration of the earlier of:
  - (A) The time period for bringing an action under any applicable state or federal statute of limitations;
  - (B) One year after the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; or
  - (C) Two years after the first act or omission giving rise to an alleged claim.

#### 15. GENERAL PROVISIONS.

- **15.1** Severability. Should one or more clauses of this agreement be held to be void or unenforceable for any reason by any court of competent jurisdiction, such clause or clauses are deemed to be separable in such jurisdiction and the remainder of this agreement is deemed valid and in full force and effect and the terms of this agreement will be equitably adjusted so as to compensate the appropriate party for any consideration lost because of the elimination of such clause or clauses. 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 hereunder shall, 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.
- **15.2 Waiver; Integration.** No waiver by Company of any breach by Licensee, nor any delay or failure by Company to enforce any provision of this agreement, will be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce Company's rights with respect to that or any other or subsequent breach. Subject to Company's rights to modify standards and as otherwise provided in this agreement, this agreement cannot be waived, altered or rescinded, in whole or in part, except by a writing signed by Licensee and Company. This agreement together with its addenda and the Licensee's application form submitted to Company are 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 Restaurant. Nothing in

this agreement, its addenda, and the application form, or in any related agreement is intended to disclaim the representations Company made in the franchise disclosure document, and any representations or promises made outside these documents may not be enforceable. Licensee acknowledges that it has not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of Licensee's business.

- **15.3** Notice. Except as otherwise provided in this agreement, any notice, demand or communication provided for in this agreement must be in writing and signed by the party serving it and delivered personally, by a reputable overnight service or deposited in the United States mail (by registered or certified mail if it is a notice of default), service or postage prepaid, or as otherwise provided in the Operations Manual. A notice delivered by overnight service is deemed received the day after it is given to the overnight service; a notice delivered by regular, registered or certified mail is deemed received 4 days after it is given to the United States Postal Service, or any shorter period in which the notice was actually delivered. Notices will be addressed as follows:
  - If intended for Company, addressed to the President, American Dairy Queen Corporation, 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437 U.S.A.;
  - (B) If intended for Licensee, addressed to Licensee at the Authorized Location designated on the cover page. If Licensee is an entity or consists of more than one individual, then Licensee must designate a single individual to receive notices under this agreement and identify this person on the Ownership Addendum attached to this agreement. Legal notices sent to the designated individual will be deemed received by the Licensee; or
  - (C) To another address as designated by written notice to the other party.
- **15.4 Authority.** Any modification, consent, approval, authorization or waiver granted under this agreement that is required to be effective by signature will be valid only if in writing executed by an authorized signatory of Licensee's on behalf of Licensee or, if on behalf of Company, in writing executed by its President or one of its Vice Presidents.
- **15.5 References.** If Licensee consists of 2 or more individuals, the individuals are jointly and severally liable, and references to Licensee in this agreement include all individuals. Headings and captions in this agreement are for convenience of reference and should not be taken into account in construing or interpreting this agreement.
- **15.6 Guarantee.** If Licensee is a corporation, partnership or other entity, then all Owners must sign the undertaking and guarantee at the end of this agreement. Any person or entity that becomes an Owner after the date of this agreement must sign the form of undertaking and guarantee at the end of this agreement.

- **15.7** Successors; Assigns. Subject to the terms of section 11, this agreement is binding upon and inures to the benefit of the administrators, executors, heirs, successors and assigns of the parties.
- **15.8 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:
  - (A) Applicable Law and Waiver. Subject to Company's rights under federal trademark laws and the parties' rights under the Federal Arbitration Act under section 12, the parties' rights under this agreement and the relationship between the parties is governed by, and will be interpreted in accordance with, the laws (statutory and otherwise) of the state in which the Authorized Location is located. Licensee waives, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which the Authorized Location is located.
  - (B) Exercise of Rights. Whenever this agreement provides that Company has a certain right, that right is absolute and the parties intend that Company's exercise of that right will not be subject to any limitation or review. Company may operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this agreement.
  - (C) **Reasonable Business Judgment.** Whenever Company reserves or is deemed to have reserved discretion in a particular area or where Company agrees or is deemed to be required to exercise its rights reasonably or in good faith, Company will satisfy its obligations whenever it exercises Reasonable Business Judgment (as defined below) in making its decision or exercising its rights. A decision or action by Company will be deemed to be the result of "Reasonable Business Judgment," even if other reasonable or even arguably preferable alternatives are available, if Company's decision or action is intended, in whole or significant part, to promote or benefit the Franchise System (or one or more components of it) generally even if the decision or action also promotes a financial or other individual interest of Company. Examples of items that will promote or benefit the Franchise System 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 Franchise System (or one or more components of it). Neither Licensee nor any third party (including, without limitation, a trier of fact) will substitute its judgment for Company's Reasonable Business Judgment.
- **15.9** Venue. Any cause of action, claim, suit or demand allegedly arising from or related to the terms of this agreement or the relationship of the parties that is

not subject to arbitration under section 12, must be brought in the Federal District Court for the District of Minnesota or in Hennepin County District Court, Fourth Judicial District, Minneapolis, Minnesota. Both parties hereto irrevocably admit themselves to, and consent to, the jurisdiction of said courts. The provisions of this subparagraph survive the termination of this agreement. Licensee is aware of the business purposes and needs underlying the language of this subparagraph, and with a complete understanding thereof, agrees to be bound in the manner set forth.

- **15.10 Waiver of Punitive Damages.** Licensee and Company and their affiliates waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and in the event of any dispute between them, each is limited to the recovery of actual damages sustained by it.
- **15.11 Relationship of the Parties.** Licensee and Company are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venturer or employee of the other. Neither party can 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.
- **15.12 Force Majeure.** A failure of performance of this agreement by any party will not be deemed a breach of this agreement if it arose from a cause beyond the control of and without the negligence of the party, provided that the party uses reasonable best efforts to perform the obligations as soon as possible under the circumstances. Such causes include acts of God, lockouts, strikes, wars, riots, and acts of government.
- **15.13** Adaptations and Variances. Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the Franchise System. Accordingly, Company may vary the Menu and other standards, specifications, and requirements for any licensed restaurant or store or licensee 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 Company deems to be of importance to the operation of such restaurant or store, Licensee's business, or one or more components of the Franchise System. Company is not required to grant to Licensee a like or other variation as a result of any variation from standard menus, specifications or requirements granted to any other restaurant or store or licensee. Licensee acknowledges that it is aware that other licensees of Company operate under a number of different forms of franchise agreement or operating agreement that were entered into at different times and that, consequently, the obligations and rights of the parties to such other agreements may differ materially in certain instances from Licensee's rights and obligations under this agreement. Company may periodically modify or rescind any requirement, standard or specification prescribed by Company under this agreement to adapt the System to changing conditions, competitive circumstances, business strategies, business practice innovations, and technological changes as Company deems appropriate.

- **15.14 Notice of Potential Profit.** Company or its affiliates may make available goods, products, or services to Licensee for use in the Restaurant and may make a profit on the sale of these items. Company or its affiliates may receive and retain consideration from suppliers or manufacturers for services rendered, license rights, or sales of goods, products, or services to Licensee. The consideration may or may not be related to services performed and Company or its affiliates is entitled to these profits or consideration.
- **15.15 Effective Date.** Company will fill in the "Effective Date" of this agreement in the space provided on the cover page. If no Effective Date is listed, the Effective Date is the date when this agreement has been signed by both Licensee and the President or a Vice President of Company.
- **15.16 Receipt of Documents.** Licensee acknowledges that it received a franchise disclosure document at least 14 calendar days prior to the date this agreement was executed.
- **15.17 Including**. Unless the context requires otherwise, the term "including" means "including but not limited to."

# 16. **DEFINITIONS**.

- 16.1 Assistant Manager means an 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 Restaurant under the supervision of the Designated Manager, meets Company's prior restaurant or retail management experience requirements, and does not participate in the active operation or management of any business other than the Restaurant.
- **16.2** Authorized Location is the location of the Restaurant designated on the cover page to this agreement.
- **16.3 Business Records** means Licensee's books and records relating to the Restaurant, and includes balance sheets, statements of profit and loss, records of prices and special sales, check registers, purchase records, sales summaries, inventories, and other detailed information about daily sales, cost of sales, and other relevant records or information.
- **16.4 Captive-venue Location** means a location in a shopping mall (enclosed or open air, such as a lifestyle center) with a minimum of 500,000 square feet of gross leasable area, transportation terminals, hospitals, college and university facilities, parks and recreation areas, office buildings and other locations that cater to high volume walking traffic.
- **16.5 Competitive Business** means a quick service restaurant that serves hamburgers but does not serve alcohol, or a restaurant or business that generates more than 10% of its revenue from sales of ice cream, yogurt, frozen custard, fruit-based beverages, soft serve or other frozen treats.

- **16.6 Computer Systems** means the computer systems, including hardware and software, or other existing or future communication or data storage or security systems that may be designated by Company, which meet Company's standards and specifications as periodically modified in response to business, operations and marketing conditions.
- 16.7 Confidential Information means the methods, techniques, formats, marketing and promotional techniques and procedures, specifications, information, recipes, the Operations Manual, systems, costs, and knowledge of and experience in the operation and franchising of DQ® restaurants that Company communicates to Licensee or that Licensee otherwise acquires in operating the Restaurant under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by Licensee or other individuals under an obligation to keep the information confidential.
- **16.8 Controlling Owner** means the Owner who actively directs Licensee's business affairs relating to the Restaurant and is responsible for overseeing the general management of the day-to-day operations of the Restaurant.
- **16.9 Designated Manager** means an 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 Restaurant, meets Company's prior restaurant or retail management experience requirements, and does not participate in the active operation or management of any business other than the Restaurant.
- **16.10 EPOS System** means an electronic point-of-sale cash register system including hardware, software, payment processing and security components that meets the standards and specifications established by Company, as modified periodically in response to business, operations and marketing conditions.
- **16.11 Franchise System** means the franchised network of DQ® restaurants and stores, regardless of the concept or type of location, which operate under one or more of the Trademarks.
- **16.12 Gross Sales** means the total revenues and receipts from the sale of all products sold by the Restaurant, whether paid for by cash, credit (not adjusted for credit card fees) or gift card, barter, or otherwise, including sales of all products under any of the Trademarks as well as sales of other products, services and merchandise, whether or not identified by other brand names, and excluding sales taxes and revenues and receipts arising directly from Licensee's sale of gift cards.
- **16.13 Menu** means the menus designated by Company in the Operations Manual or otherwise in writing.

- **16.14 Operations Manual** means Company's most current operations materials, which may include system standards and other manuals, resource guides, system bulletins, handbooks, product preparation materials, brand guidelines, and other written materials relating to the Restaurant, System, or Franchise System.
- 16.15 Owner means any person or entity who directly or indirectly owns an interest in Licensee. An Owner includes each shareholder, member, or owner of a corporation, limited liability company or other entity; each general partner of a partnership and, if a general partner is an entity, each owner of an interest in the general partner; and each grantor, settlor, beneficiary, trustee or other trust fiduciary of a trust. If the Licensee is more than one individual, each individual is an Owner. The Owners are identified on the Ownership Addendum attached to this agreement.
- **16.16 Powders** means the Orange Julius® Flavor Enhancer powder and all other proprietary powders and products used in the preparation of Orange Julius® trademarked drinks.
- **16.17 Principal Owner** means any Owner who directly or indirectly owns a 10% or greater interest in Licensee.
- 16.18 Restaurant means Licensee's business and the DQ® Treat restaurant developed and operated under this agreement at the Authorized Location using System and the Trademarks.
- **16.19 Street Location** means a location in a freestanding building, streetscape location, or strip mall with less than 500,000 square feet of gross leasable area.
- 16.20 System means the DQ® system which consists of the sale of distinctive dairy products, beverages, food products and other products and services under the Trademarks using distinctive facilities, equipment (including the EPOS System and Computer Systems), supplies, ingredients, secret and proprietary formulas, business techniques, methods, procedures, standards, specifications, and Operations Manual, together with sales promotion programs, as may be modified and improved periodically by Company.
- **16.21 Trademarks** means the trademarks, trade names and commercial symbols designated by Company in the Operations Manual or otherwise in writing, which may be modified periodically by Company.

# LICENSEE:

# COMPANY: American Dairy Queen Corporation

Signature:	Signature:
Print Name:	Print Name:
Title:	Title:
	Date:

#### UNDERTAKING AND GUARANTEE

# NOTE: If Licensee is a corporation or other business entity, each of the Owners must sign this undertaking and guarantee as an individual and not as an Owner or officer of the entity.

In consideration of the execution of the operating agreement by Company, and for other good and valuable consideration, each of the signatories below, for themselves, their heirs, legal representatives, successors and assigns (collectively the "Guarantors") jointly, individually and severally guarantee the full and timely performance by Licensee of each and every obligation of Licensee arising under the operating agreement, and agrees to be personally bound by, and personally liable for the breach of each and every provision in the operating agreement, including the payment of all amounts and the performance of all covenants, terms and conditions required under the operating agreement.

The Guarantors, individually, jointly and severally, agree to be personally bound by each and every condition and term in the operating agreement as though each of the Guarantors had executed an operating agreement with the identical terms and conditions of the operating agreement, including the dispute resolution and jury trial waiver provisions, and any amendments, extensions, or other modifications to the operating agreement.

Each of the Guarantors waives: (i) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (ii) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations guaranteed; or (iii) any right that the Guarantors may have to require Company, as a condition of liability or otherwise, to proceed against any other person or to proceed against or exhaust any security held by Company at any time or to pursue any right of action accruing to Company under the operating agreement. Company may either proceed against the Guarantors and Licensee, jointly and severally, or proceed against any of the Guarantors without having commenced any action, or having obtained any arbitration award or judgment, against Licensee.

The Guarantors individually, jointly and severally agree to pay all attorneys' fees and costs and other expenses incurred in connection with the enforcement of this Guarantee or with any negotiations related to such enforcement.

The Guarantors individually and collectively agree that each and every provision, covenant, and condition of this Guarantee inure to the benefit of Company's successors and assigns and that any liability or obligations arising under this Guarantee are not diminished or relieved by the insolvency, bankruptcy, or reorganization of Licensee or of Licensee's successors and assigns.

Print Name:	Signature:
Print Name:	Signature:
Print Name:	Signature:
Print Name:	Signature:

#### **OWNERSHIP ADDENDUM**

#### 1. **Owners**. The Owners are:

Name	Percent Interest	Owner of:

- 2. **Notices.** Under section 15.3(B), if Licensee is an entity or consists of more than one individual, then Licensee must designate a single individual to receive notices. The designated individual to receive notices is:
- 3. **Change.** Licensee must immediately notify Company in writing of any change in the information in this addendum and, at Company's request, prepare and sign a new addendum with the correct information.
- 4. **Defined Terms.** All capitalized terms used in this addendum but not defined have the same meanings as given to them in the operating agreement.
- 5. **Effective Date.** This addendum is effective as of the Effective Date of the operating agreement.

Licensee's Initials

American Dairy Queen Corporation's Initials

Store #:

Authorized Location:

# RELOCATION ADDENDUM TO OPERATING AGREEMENT

This Addendum to DQ® Treat operating agreement ("Agreement") is between American Dairy Queen Corporation ("Company") and \_\_\_\_\_\_ ("Licensee").

Company and Licensee are entering into the Agreement on the same date as this addendum and want to modify the Agreement as follows.

- 1. **Initial Franchise Fee.** Section 9.1 of the Agreement is deleted. Licensee does not have to pay Company an initial franchise fee.
- 2. **Continuing License Fee.** Section 9.2 of the Agreement is deleted and replaced with the following:

Licensee must pay to Company monthly a continuing license fee of:

- (A) for years 1 through 5 of the term of the Agreement, \_\_\_% of Gross Sales; [complete with Licensee's existing contractual rate, if less than 5%]
- (B) for years 6 through 10 of the term of the Agreement, \_\_\_% of Gross Sales; and [complete with the mid-way point between (A) and 5%]
- (C) for years 11 through the remaining term of the Agreement, 5% of Gross Sales.
- 3. Sales Promotion Program Fee. Section 9.3(A)(2) is deleted and replaced with the following:

For all other products:

- (a) for years 1 through 5 of the term of the Agreement, \_\_\_% of Gross Sales; [complete with the rate in existing contract but not less than 3.5% of Gross Sales]
- (b) for years 6 through 10 of the term of the Agreement, \_\_\_% of Gross Sales;
   [complete with the rate in existing contract but not less than 4.0% of Gross Sales]
- (c) for years 11 through the remaining term of the Agreement, 5% 6% of Gross Sales.
- 4. **Defined Terms.** All defined terms used in this addendum but not defined have the same meaning given them in the Agreement.
- 5. **Construction.** In all other respects, the terms and conditions of the Agreement remain in effect as written.

6. **Effective Date.** This addendum is effective on the Effective Date of the Agreement and terminates upon the earlier of the transfer or termination of the Agreement.

Licensee:	<b>Company:</b> American Dairy Queen Corporation
Signature:	Signature:
Print Name:	Print Name:
Title:	Title:
Date:	Date:

Store #:

Authorized Location:

# RENEWAL ADDENDUM TO DQ® TREAT OPERATING AGREEMENT

This Addendum to DQ® treat operating agreement ("Agreement") is between American Dairy Queen Corporation ("Company") and \_\_\_\_\_\_ ("Licensee").

# Background

- Company and Licensee signed a franchise agreement dated \_\_\_\_\_\_\_
  that expires on \_\_\_\_\_\_("Expired Agreement").
- Licensee wants to renew the franchise for the Authorized Location under the Agreement, except that Company and Licensee want to modify the Agreement.

Therefore, the parties agree as follows.

- 1. **Modernization Date.** Licensee must complete the modernization required under the Expired Agreement by the earlier of \_\_\_\_\_\_ or any transfer under the Agreement. This paragraph 1 does not change the modernization requirements under the Agreement.
- 2. **Training.** Licensee must be in compliance with the Expired Agreement's training requirements, and is not required to comply with any further training under section 7.1 upon signing the Agreement. Sections 7.2 7.8 are not affected by this addendum.
- 3. **Term.** Section 4.1 of the Agreement is modified to provide as follows:

The term of this Agreement starts on the Effective Date and, unless earlier terminated under section 13, runs for the remaining term of Licensee's lease, as designated on the cover page of the Agreement.

- 4. [*If Licensee has an unapproved EPOS system, add:* POS. Licensee must replace the existing unapproved EPOS system with the ADQ-approved Integrated Technology Platform/Par Brink EPOS system ("ITP System") by [insert required installation date.]
- Initial Franchise Fee. Section 9.1 of the Agreement is deleted. Instead, Licensee must pay the renewal fee specified in the Expired Agreement in the amount of \$\_\_\_\_\_.
- 6. **Financial Performance Representation.** The information in Item 19 of the franchise disclosure document has information relating to franchised DQ® Treat stores that were developed under ADQ's new store development programs and does not apply to Licensee's Authorized Location. Licensee acknowledges that the financial results at the Authorized Location will differ from the information in Item 19.

- 7. **Defined Terms.** All defined terms used in this addendum but not defined have the same meaning given them in the Agreement.
- 8. **Construction.** In all other respects, the terms and conditions of the Agreement remain in effect as written.
- 9. **Effective Date.** This addendum is effective on the Effective Date of the Agreement and is effective for the term of the Agreement.

# LICENSEE:

# **COMPANY:** AMERICAN DAIRY QUEEN CORPORATION

Signature:	Signature:
Print Name:	Print Name:
Title:	Title:
Date:	Date:

# ADDENDUM TO OPERATING AGREEMENT FOR THE <u>STATE OF ILLINOIS</u>

This Addendum will pertain to franchises sold in the State of Illinois and will be for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Operating Agreement to the contrary, the Agreement will be amended to include the following:

1. The third sentence in subparagraph 15.2 of the Agreement is deleted. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void."

2. Subparagraph 15.2 of the Agreement shall not be construed to mean that Licensee may not rely on representations in the Franchise Disclosure Document that Company provided to Licensee in connection with the offer and purchase of the license granted under this Agreement. Although the statements in the Disclosure Document do not become part of the Agreement, nothing in the Disclosure Document may contradict or be inconsistent with the contract terms.

3. Subparagraph 15.8(A) of the Agreement is deleted and replaced with the following:

1. <u>Applicable Law</u>. Subject to Company's rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Paragraph 12 of this Agreement, the parties' rights under this Agreement, and the relationship between the parties is governed by, and will be interpreted in accordance with, the laws (statutory or otherwise) of the state in which the Authorized Location is located.

- 4. Subparagraph 15.9 of the Agreement is deleted.
- 5. Subparagraph 15.16 of the Agreement is deleted.

6. Illinois Franchise Disclosure Act paragraphs 705/19 and 705/20 provide rights to Licensee concerning nonrenewal and termination of this Agreement. If the Operating Agreement contains a provision that is inconsistent with the Act, the Act shall control.

7. The Acknowledgment Addendum is unenforceable under Illinois law because it may have the effect of forcing a franchisee to waive or release certain rights that you as a franchisee have under the Illinois Franchise Disclosure Act, 815 IL § 705.

Licensee's Initials

# ADDENDUM TO OPERATING AGREEMENT FOR THE <u>STATE OF MARYLAND</u>

This Addendum will pertain to franchises sold in the State of Maryland and will be for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything that may be contained in the body of the Operating Agreement to the contrary, the following will apply to franchises offered and sold under the laws of the State of Maryland:

- 1. Company's termination of the Operating Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.)
- 2. Any claims under the Maryland Franchise Registration and Disclosure Law may be brought in the State of Maryland.
- 3. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the franchise is granted.
- 4. The general release required as a condition of renewal, sale and/or assignment or transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Licensee's Initials

# ADDENDUM TO OPERATING AGREEMENT FOR THE <u>STATE OF MINNESOTA</u>

This Addendum will pertain to franchises sold in the State of Minnesota and will be for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Operating Agreement to the contrary, the Agreement will be amended as follows:

1. Company or its affiliate will undertake the defense of any claim of infringement by third parties involving the Dairy Queen® trademark and Licensee will cooperate with the defense in any reasonable manner prescribed by Company with any direct costs of such cooperation to be borne by Company.

2. Minnesota law provides licensees with certain termination and nonrenewal rights. As of the date of this Agreement, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a licensee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Operating Agreement.

3. Licensee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minn. Stat. Sec. 80C.01 - 80C.22.

4. The Operating Agreement contains a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.

5. Licensee consents to the Company seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

6. The Operating Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

7. Any action pursuant to Minn. Stat. Sec. 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

Licensee's Initials

# ADDENDUM TO OPERATING AGREEMENT FOR THE <u>STATE OF NORTH DAKOTA</u>

This Addendum will pertain to franchises sold in the State of North Dakota and will be for the purpose of complying with North Dakota statutes and regulations.

1. Notwithstanding anything contained in subparagraph 12.1(D) of the Operating Agreement, any arbitration proceeding shall take place in the city nearest to the Authorized Location in which the American Arbitration Association shall maintain an office and facility for arbitration, or at such other location as may be mutually agreed upon by the parties.

2. Notwithstanding anything contained in subparagraph 14.6 of the Operating Agreement, covenants not to compete during the term of and upon termination or expiration of the Operating Agreement are enforceable only under certain conditions according to North Dakota law. If the Operating Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

3. Any release executed in connection with a renewal shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

4. The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

5. The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

6. The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law.

7. The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement may not be enforceable under North Dakota law.

8. The Operating Agreement states that Licensee must consent to the jurisdiction of courts located outside the State of North Dakota. This requirement may not be enforceable under North Dakota law.

Licensee's Initials

# ADDENDUM TO OPERATING AGREEMENT FOR THE <u>STATE OF WASHINGTON</u>

This Addendum will pertain to franchises sold in the State of Washington and will be for the purpose of complying with the Washington Franchise Investment Protection Act.

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including in the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a licensee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this day of	20
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Licensee's Initials

# SAMPLE RELEASE

This Release ("Release") is entered into on \_\_\_\_\_\_, 20\_\_, between American Dairy Queen Corporation ("Company") and \_\_\_\_\_\_ ("Licensee").

A. Company and Licensee entered into a DQ® Operating Agreement dated \_\_\_\_\_\_, and any amendments and addenda thereto (collectively, the "Operating Agreement").

B. Licensee desires to transfer the Operating Agreement, and the terms of the Operating Agreement require Licensee, pursuant to the transfer, to release Company and its affiliates from all claims arising out of or relating to this Agreement, Licensee's DQ® location, or the parties' business relationship.

In consideration of the covenants and promises contained in this Release, the parties agree as follows:

# 1. <u>Consideration</u>. [Describe any consideration paid.]

# 2. [Explain any other terms or conditions of the release.]

3. **<u>Release of Claims by Licensee</u>**. In consideration of the terms and conditions of this Release, the receipt and sufficiency of which is hereby acknowledged, Licensee, its heirs, successors and assigns, affiliates, directors, officers, shareholders, and any other party claiming an interest through them (the "Licensee Parties"), release and forever discharge the Company, its predecessors, successors, assigns, affiliates, directors, officers, shareholders, and employees (the "Company 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 Licensee Parties may now or in the future own or hold, that in any way relate to the Operating Agreement (collectively, "Claims"), for known or unknown damages or other losses including, 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, or any alleged violations of the Operating Agreement or any other related agreement between Licensee and Company.</u>

The Licensee Parties do not release the Company Parties from any obligations arising under this Release. The Licensee Parties and the Company Parties acknowledge that the release set forth in this Section does not release Company Parties from any liability under the Maryland Franchise Registration and Disclosure Law.

4. <u>Acknowledgment</u>. The release of Claims set forth in Section 3 is intended to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist 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 Licensee 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 Licensee Parties intention 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 Release shall void the releases in this Release.

6. <u>Entire Agreement</u>. This Release 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 Release are merged into this Release.

7. <u>No Admission of Liability</u>. It is specifically understood that by reason of agreeing to this Release, the parties hereby released admit no liability of any sort and have made no representations as to liability, and it is further expressly understood and agreed that this Release shall not be construed as an admission of liability on the part of the parties or anyone else. This Release is freely and voluntarily executed by the undersigned, without any duress or coercion, and after they have carefully and completely read all of the terms and provisions of this Release and have had an opportunity to review the same with counsel.

8. <u>Governing Law and Jurisdiction</u>. This Release will be construed and enforced in accordance with the law of the state of \_\_\_\_\_\_. The parties agree that any disputes hereunder which are submitted to a judicial forum shall be subject to the jurisdiction and venue of the state or federal courts of \_\_\_\_\_\_.

9. <u>Attorneys' Fees</u>. All rights and remedies under this Release shall be cumulative and none shall exclude any other right or remedy allowed by law. In the event of a breach of this Release that requires one of the parties to enforce the terms and conditions of this Release, the non-prevailing party shall pay the prevailing party's attorneys' fees and costs incurred by reason of the breach.

10. **Effectiveness**. This Release is not effective until signed by all parties.

# LICENSEE: [INSERT LICENSEE'S NAME]

Signature:	Date	, 20
Print Name:		
Title:		
COMPANY: AMERICAN DAIRY QUEEN CORPORATION		
Signature:	Date	, 20
Print Name:		
Title:		

# EXHIBIT C

Conversion Addenda

Store #:

Authorized Location:

# CONVERSION ADDENDUM TO DQ® TREAT OPERATING AGREEMENT

(For use with existing non-system food operators converting to DQ® Treat)

This Addendum to DQ® Treat operating agreement ("Agreement") is between American Dairy Queen Corporation ("Company") and \_\_\_\_\_\_ ("Licensee").

Company and Licensee are entering into the Agreement on the same date as this addendum and want to modify the Agreement as follows:

1. Section 2.3(A) of the Agreement is amended to include the following language at the end of the paragraph:

except that Company agrees that, so long as the Agreement remains in effect, it will not operate or issue a license for any other party to operate a competing business using the Trademarks within the areas described as *[complete with the protected territory description from the existing franchise agreement.]* 

- 2. **Initial Franchise Fee.** Section 9.1 of the Agreement is deleted. Licensee is not required to pay an initial franchise fee to Company.
- 3. **Continuing License Fee.** Section 9.2 of the Agreement is deleted and replaced with the following:

Licensee must pay to Company monthly a continuing license fee of:

- (A) for DQ® soft-serve products, [Complete with Licensee's contractual language from the existing franchise agreement]; and
- (B) for Food Menu products, Licensee pays no continuing license fee for the first partial month and the next 36 consecutive months after the Effective Date. Starting with the 37th full month, Licensee must pay a monthly continuing license fee to Company of 5% of Food Sales minus Base Food Sales.
- (C) For purposes of this Section 9.2 and Section 9.3, the following definitions apply:
  - i. "Base Food Sales" equals the highest Food Sales achieved during any consecutive full 12 month period occurring between months 1-36 after the Effective Date.
  - ii. "Food Menu" means all food and beverage products on the Menu, other than products made with soft-serve as an ingredient, regardless of any prior practice. In addition to the Food Menu, Licensee has the right to continue to sell the non-system food items identified in Exhibit A.
- iii. "Food Sales" means the total revenues and receipts from the sale of Food Menu products sold by the Store, whether paid for by cash, credit (not adjusted for credit card or other fees) or gift card, barter, or otherwise,

excluding sales taxes and revenues and receipts arising directly from Licensee's sale of gift cards.

4. Sales Promotion Program Fee. Section 9.3 of the Agreement is deleted and replaced with the following:

Licensee must pay to Company monthly a sales promotion program fee of *[insert the percentage rate that is the greater of 2.5% or the rate from the existing franchise agreement]* of Gross Sales.

- 5. **Defined Terms.** All defined terms used in this addendum but not defined have the same meaning given them in the Agreement.
- 6. **Construction.** In all other respects, the terms and conditions of the Agreement remain in effect as written.
- 7. Effective Date. This addendum is effective on the Effective Date of the Agreement and terminates upon the earlier of the transfer or termination of the Agreement.

## LICENSEE:

# **COMPANY:** AMERICAN DAIRY QUEEN CORPORATION

Signature:	Signature:
Print Name:	Print Name:
Title:	Title:
Date:	Date:

#### EXHIBIT A MENU EXCEPTIONS

Licensee has the right to continue to sell the one non-system food item identified below ("NSF Product") for a period of (check only one of the options below):

- five years after the Effective Date. The NSF Product must be removed from the Restaurant at the end of the five-year period.
- 36 months after the Effective Date. If Licensee desires to continue selling the NSF Product after expiration of the 36 month period, Licensee must, within 45 days after the expiration of the 36 month period, provide to Company sales records, purchase invoices or other records that Company may request to verify that the NSF Product represented at least 3% of Gross Sales during the last 12 months of the 36 month period. This process will be referred to as the "NSF Product Extension Process." Licensee may continue selling the NSF Product, if it meets this minimum sales requirement, for a second 36 month period. At the end of the second 36 month period (and for any subsequent extension periods) the NSF Product Extension Process will be applied to determine whether Licensee will be authorized to continue selling the NSF Product. If at the end of any 36 month period during which Licensee is authorized to sell the NSF Product, the NSF product does not meet the minimum requirements for extension as determined through the NSF Product Extension Process, that NSF Product must be removed from Licensee's Store. Once removed, an NSF Product may not again be sold in Licensee's Store.

Licensee must prepare, handle, merchandise, advertise and serve the NSF Product in compliance with food safety, testing and food handling requirements established by Company for products of the type represented by the NSF Product (e.g., beef product, chicken product, pork product, fried vegetable, etc.). Licensee may only purchase the NSF Product or any ingredient in the NSF Product from a manufacturer that is approved by Company under standards that are reasonable and customary in the DQ® system. Licensee shall be solely responsible for assuring that the preparation, handling, labeling, merchandising, advertising and sale of the NSF Product meet all applicable Federal, State, County, Local and/or other applicable laws or regulations (collectively "Applicable Laws") including, without limitation, all laws and regulations relating to nutritional disclosure, nutritional content, ingredient restrictions, and potential allergen disclosures. If any NSF Product must be removed from the Store. Company will have no responsibility to support Licensee's efforts to comply with Applicable Laws as it relates to the NSF Product.

In the event the Menu is modified at any time to include a food product that is of the same type as the NSF Product, Licensee must remove the NSF Product and carry the approved system product.

NSF Product:

Removal Date:	
Removal Date.	

Licensee's Initials

Company's Initials\_\_\_\_\_

Store #:

Authorized Location:

# CONVERSION ADDENDUM TO DQ® TREAT OPERATING AGREEMENT

(For use with existing soft-serve only operators converting to DQ® Treat)

This Addendum to DQ® Treat operating agreement ("Agreement") is between American Dairy Queen Corporation ("Company") and \_\_\_\_\_\_ ("Licensee").

Company and Licensee are entering into the Agreement on the same date as this addendum and want to modify the Agreement as follows:

1. Section 2.3(A) of the Agreement is amended to include the following language at the end of the paragraph:

except that Company agrees that, so long as the Agreement remains in effect, it will not operate or issue a license for any other party to operate a competing business using the Trademarks within the areas described as *[complete with the protected territory description from the existing franchise agreement.]* 

- 2. **Initial Franchise Fee.** Section 9.1 of the Agreement is deleted. Licensee is not required to pay an initial franchise fee to Company.
- 3. **Continuing License Fee.** Section 9.2 of the Agreement is deleted and replaced with the following:

Licensee must pay to Company monthly a continuing license fee of:

- (A) for DQ® soft-serve products, [Complete with Licensee's contractual language from the existing franchise agreement]; and
- (B) for all other products, 5% of Gross Sales.
- 4. Sales Promotion Program Fee. Section 9.3 of the Agreement is deleted and replaced with the following:

Licensee must pay to Company monthly a sales promotion program fee equal to 3% of Gross Sales.

- 5. **Defined Terms.** All defined terms used in this addendum but not defined have the same meaning given them in the Agreement.
- 6. **Construction.** In all other respects, the terms and conditions of the Agreement remain in effect as written.

7. **Effective Date.** This addendum is effective on the Effective Date of the Agreement and terminates upon the earlier of the transfer or termination of the Agreement.

LICENSEE:	COMPANY:		
	AMERICAN DAIRY QUEEN CORPORATION		
Signature:	Signature:		
Print Name:			
Title:	Title:		
Date:			
Title:	Title:		

# EXHIBIT D

Franchise Application



# Application for **DQ<sup>®</sup>** Franchise

American Dairy Queen Corporation

2023-2024 Franchise Programs

Important Reminder:

You must sign and date a Franchise Disclosure Document (FDD) receipt at least 16 days before you return this application along with the initial franchise fee deposit and check.

 $\label{eq:please} Please \ mail \ the \ completed \ application \ and \ attachments \ to \ the \ following \ email \ address: \\ \underline{Samantha.krogfus@idq.com}$ 

# FRANCHISE APPLICATION PROCEDURE

American Dairy Queen Corporation ("Company") would like to take this opportunity to thank you for your application for a new franchise. It is important to remember that this is an <u>APPLICATION ONLY</u> which must be reviewed and approved through Company's Development Review Committee (DRC) before any franchise rights are awarded to you. The DRC review includes the following:

# **Applicant Qualification**

Company review of the franchise application, including applicants' personal and financial background, proposed ownership structure and management structure, and participation in an Orientation Day or other in-person meetings.

# **Financial Qualification**

Minimum requirements for liquid assets and the amount of equity to be invested in the development of a single, new location are:

	Liquid Assets	Equity In Project
$DQ$ Grill & Chill <sup>®</sup> & $DQ^{\mathbb{R}}$ Texas Restaurant	\$400,000	\$300,000
$DQ^{$ ® Treat	\$175,000	\$125,000

The actual equity necessary for a project may be greater depending upon lender requirements, actual cost of applicant's project, etc.

# **Trade Area Review & Site Qualification**

Review of applicants' proposed trade area and site.

You will be notified in writing of the successful completion of your review process and any conditions to that approval and consent.

# **IMPORTANT:**

You are not awarded a franchise and have no license rights unless and until you are in receipt of an Operating Agreement signed by a Vice President of Company. This Application or any other document or verbal advice is not to be construed as, and is not, an Operating Agreement or the grant of a franchise or license rights. Do not make any financial or contractual commitments or incur any expenses relative to this Application until you have received written notification that your Application has been approved and you have received Company's consent. If circumstances warrant, any options or lease proposals should be drafted contingent on Company's approval and consent. Any expenses you incur prior to execution of an Operating Agreement are done at your own risk.

# NO ADDITIONS, DELETIONS, OR CHANGES TO THIS FRANCHISE APPLICATION PROCEDURE ARE ACCEPTABLE UNLESS INITIALED BY BOTH THE APPLICANT(S) AND AN OFFICER OF COMPANY.

<sup>®</sup> and © Am. D.Q. Corp. (Rev. 03/23)

# SECTION I GENERAL INFORMATION

1. Please indicate the type of franchise you are applying for:

DQ Grill & Chill Restaurant DQ Treat Store DQ Texas Restaurant

- 2. Please indicate your preferred location for the franchise: \_\_\_\_\_
- 3. If you are granted a franchise, when will you be able to commence operations?
- 4. Is this application part of a multi-unit development agreement? 
  Yes 
  No

# INSTRUCTIONS

- 1. If you are applying for a franchise on behalf of a corporation, limited liability company, partnership or other business entity, you must complete all sections of this application and you must submit with your application copies of the following:
  - a) For a corporation, the articles of incorporation, by-laws or shareholders agreement, or other documentation evidencing that the corporation has been duly formed and its ownership structure.
  - b) For a limited liability company, the articles of organization, operating agreement, or other documentation evidencing that the company has been duly formed and its ownership structure.
  - c) For a partnership, the partnership agreement.
- **2.** If you are applying to hold the franchise as an individual, you must complete all sections of this application, except for Section II.
- 3. Please be advised that, when forming a corporation, limited liability company, legal partnership or operating company, you must not use DQ Grill & Chill®, Dairy Queen®, DQ®, Blizzard® Orange Julius®, or any other trademarks of IDQ Companies or its subsidiaries in your business name, as it constitutes an improper use of our trademarks and avoids the cost of having to change the name at a later date.

# SECTION II BUSINESS ENTITY INFORMATION (to be completed if applying on behalf of a business entity)

If you are applying on behalf of, and desire to hold a franchise through, a business entity (corporation, limited liability company or partnership), you must complete this Section II on behalf of the business entity, and each shareholder, member or partner must complete Section III of this Application. All shareholders, members or partners, as the case may be, must be bound by a buy-out agreement with respect to their interest in the franchise or franchisee entity.

If you desire to hold a franchise through a business entity that has yet to be formed, you should include in Section III all individuals that will have an ownership interest in the future business entity. If your application is approved, we will prepare the Operating Agreement in the names of the individual

<sup>®</sup> and © Am. D.Q. Corp. (Rev. 03/23) applicants but will allow an assignment to the business entity (once it is formed and approved by Company), without payment of any additional fee, prior to opening.

1. Business Entity Legal Name (as stated on your corporate/partnership documents):

**Please note:** You cannot use any Company trademarks as part of your business entity name including  $DQ^{\otimes}$ , Dairy Queen<sup>®</sup>, DQ Grill & Chill<sup>®</sup>, Orange Julius<sup>®</sup>, or Blizzard<sup>®</sup>. If you do so, you will be required to change the business entity name.

- 2. Type of business entity:
- 3. Is the business entity currently existing or yet to be formed?

#### Primary Shareholders/Members/Partners:

First Name	<i>M.I</i> .	Last Name	Address	% Ownership	Title
				Ownership	

Designate a single individual authorized to receive legal notices under the operating agreement if your Application is approved. Legal notices sent to the designated individual are deemed received by the Licensee:

First Name	M.I.	Last Name	Title	Email Address

#### Please identify the designated Operating Partner:

First Name	<i>M.I.</i>	Last Name	Address	% Ownership	Title

# SECTION III PERSONAL INFORMATION (to be completed by each individual applicant or each owner of an applicant business entity)

1. Applicants:

APPLICANT A				
LEGAL FIRST NAME:	LEGAL MIDDLE NAME:		LEGAL LAST NAME:	
Salutation: 🗆 Mr. 🗆 Mrs. 🗆 Ms				
OTHER NAMES USED				
SPOUSE NAME				
E-MAIL	DAY PHONE		CELL	
CURRENT HOME ADDRESS				
CITY	STATE		ZIP	
Are you an existing DQ or Orange Julius franchisee?       If Yes I No         If Yes, Restaurant #:       Location:				
DESCRIPTION OF EXISTING BUSINESS (IF APPLICABLE)				
BUSINESS NAME				
BUSINESS ADDRESS				
NO. OF EMPLOYEES	N BUSINESS SINCE TYPE OF BUSINESS		OF BUSINESS	

APPLICANT B				
LEGAL FIRST NAME:	LEGAL MIDDLE NAME:	LEGAL LAST NAME:		
Salutation: IMr. IMrs. IMs.				
OTHER NAMES USED				
SPOUSE NAME				
E-MAIL	DAY PHONE	CELL		
CURRENT HOME ADDRESS				
CITY	STATE ZIP			
Are you an existing DQ or Orange Julius franchisee?       If Yes       Yes I No         If Yes, Restaurant #:       Location:				
DESCRIPTION OF EXISTING BUSINESS (IF APPLICABLE)				
BUSINESS NAME				
BUSINESS ADDRESS				
NO. OF EMPLOYEES	IN BUSINESS SINCE TYPE OF BUSINESS			

APPLICA	NT C		
LEGAL FIRST NAME:	LEGAL MIDDLE NAME:	LEGAL LAST NAME:	
Salutation:			
OTHER NAMES USED			
SPOUSE NAME			
E-MAIL	DAY PHONE	CELL	
CURRENT HOME ADDRESS			
CITY	STATE	ZIP	
Are you an existing DQ or Orange Julius franchisee?         If Yes,       Restaurant #: Location:	Yes No		
DESCRIPTION OF EXISTING B	USINESS (IF APPLICAE	BLE)	
BUSINESS NAME			
BUSINESS ADDRESS			
NO. OF EMPLOYEES	IN BUSINESS SINCE	TYPE OF BUSINESS	
APPLICA			
LEGAL FIRST NAME:	LEGAL MIDDLE NAME:	LEGAL LAST NAME:	
Salutation:			
OTHER NAMES USED			
SPOUSE NAME			
E-MAIL	DAY PHONE	CELL	
CURRENT HOME ADDRESS			
CITY	ŚTATE Z		
Are you an existing <i>DQ</i> or <i>Orange Julius</i> franchisee? If Yes, Restaurant #: Location:	□ Yes □ No	i	
DESCRIPTION OF EXISTING BUSINESS (IF APPLICABLE)			
BUSINESS NAME			
BUSINESS ADDRESS			
	IN BUSINESS SINCE TYPE OF BUSINESS		
NO. OF EMPLOYEES	IN BUSINESS SINCE	TYPE OF BUSINESS	

# 2. To what mailing address should correspondence should be sent?

3.	Are all applicants identified in Section 1 citizens of the United States?	🛛 Yes	🛛 No			
	If you answered "No," which applicant(s) is/are not?					
	Are they authorized to reside or work in the United States?	Yes	🛛 No			
	If authorized to reside or work in U.S., does that authorization expire?					
	🗅 Yes 🛛 No					
	If "Yes," Expiration Date:					
	If "No," please write your immigration status here (e.g. permanent resident [green card]; asylee; H- 1B, student, etc.)					

\*Please be advised that we may request to see your visa or other documentation evidencing your immigration status.

SECTION IV FINANCIAL INFORMATION (all applicants) Either complete the form below or submit a balance sheet showing net worth, along with proof of assets and liabilities.

ASSETS	LIABILITIES			
Cash	Credit Cards			
Stocks	Automobile			
	Secured Loans			
Retirement Accts (401(k), IRAs)	Unsecured Loans			
	Taxes			
Personal Property	Home Mortgage			
Automobiles	Other Mortgages			
Home				
Other Residences	Other Debts (Itemize)			
Real Estate				
Rental Properties				
Business Assets	Business Liabilities			
	Busiliess Liabilities			
Other Assets (Itemize)	TOTAL LIABILITIES (B)			
	NET WORTH (C) (A-B=C)			
	<b>TOTAL (D)</b> $(B + C)$			
TOTAL ASSETS (A)				
SOURCE ON ANNUAL INCOME ESTIMATE OF ANNUAL EXPENSES				
Salary	Mortgage Payments			
Bonus and Commissions	Rent			
Dividends	Automobile Payments or Lease			
Real Estate Income	Insurance Premiums			
Other Income (Itemize)	Taxes			
	Other Expenses			
TOTAL	TOTAL			
GENERAL FINANCIAL INFORMATION				
Are any assets pledged? Yes No	If yes, explain:			
Are any assets preuged? Thes Tho				
Do you have any contingent liabilities? Yes	If yes, explain:			
Are you a defendant in any legal actions? Yes No	If yes, explain:			
Have you ever filed for bankruptcy or had proceedings commenced against you? Yes				
If yes, explain:				
**Attach copies of recent bank and/or brokerage stateme	ents verifving liquid assets – Remove acco	unt numbers.		
<sup>®</sup> and © Am. D.Q. Corp.				

# SECTION V EXPERIENCE AND PROPOSED MANAGEMENT STRUCTURE (all applicants)

- 1. List any franchise or food service operations in which the applicant or any of the persons listed above are presently, or have in the past been, associated either through employment or through ownership or stock holdings.
- 2. Does the activity in item 1 above subject the individual to any restrictive covenant in any existing agreements, or constitute a Competitive Business, which as defined under Company's Operating Agreement is a quick service restaurant that serves hamburgers but does not serve alcohol, or a restaurant or business that generates more than 10% of its revenue from sales of ice cream, yogurt, frozen custard, fruit-based beverages, soft serve or other frozen treats?
- 3. If any such associations listed in item 1 above have been terminated, state the date of and reason for termination.

# Restaurant Management Plan

As part of this franchise application package, you must provide your restaurant management plan. The purpose of the management plan is to identify clearly all individuals involved in the proposed franchise by outlining their qualifications, roles, and responsibilities. Please use the following series of questions as a guide to completing your plan.

- 1. Who are the principals for this proposed business and what are their professional backgrounds?
- 2. What business qualities, skills, and experience qualify each principal for this business?
- 3. What responsibilities and duties will each of the described principals have with regard to this proposed business? *Please attach a résumé/work history for each person.*
- 4. What is the makeup of your proposed management team (Designated and Assistant Managers)? Please identify each individual, and list their duties, and responsibilities. *Please attach a résumé/work history for each person.*
- 5. Who within this management team will have equity interest in the proposed business?
- 6. Who will attend the Company training program? Please refer to the appropriate franchise disclosure document (FDD) for the training requirements for each concept.
- 7. What other businesses do you currently own? For each business, please indicate in detail the makeup of the management team for that business. **Note**: If you currently own a *DQ* or *Orange Julius* franchise, which of your management team has already successfully completed the applicable Company training program? When did they attend training?

You must include the initial franchise fee when you submit this application to Company. The initial franchise fee is refundable only as described in Item 5 of the FDD.

- The initial franchise fee for a *DQ Grill & Chill* or *DQ* Texas Restaurant is \$45,000 and the initial franchise fee for a *DQ* Treat Store and all other concepts is \$25,000.
  - The initial fee must be paid with two checks:
    - one for \$10,000 (the "Initial Franchise Fee Deposit Check"), which will be deposited upon receipt, and
    - one for the remaining amount of the initial franchise fee, which will be deposited upon project consent.

\*Please note that checks being held for outstanding applications will be destroyed after 12 months; after 12 months, you will be asked to submit a new check.

# Background and Patriot Check

As part of the application to become a franchisee, each person who has an ownership interest in the franchise or franchise business entity must submit a signed consent form allowing Company to perform a Criminal Background and Patriot Check, which is done by a third-party vendor. The background check will include certain checks mandated by the federal government through the Patriot Act legislation. Also, any person whose financials are being submitted to gain financial approval must submit to the Background and Patriot Checks. Once the *DQ*<sup>®</sup> Application has been submitted, each applicant will receive an email from our third-party vendor, Trusted Employees, containing log-in access to their website to complete the information needed to run the background and patriot checks. To avoid delays in the development process, once the applicant receives the log-in access, please submit the information as soon as possible as the link provided in the email is only valid for 14 days.

# **Restaurant Opening Timeline Considerations**

Company support of your proposed project is focused on maintaining an efficient timeline from acceptance of your application through opening. If you are applying for a *DQ Grill & Chill* franchise and your application is approved, you may be eligible to participate in the Timeline Incentive Program, which provides an incentive for you to open your restaurant within the planned timeline.

# Lender Capabilities and Requirements:

You are solely responsible for identifying and gaining commitment from a lender that enables you to manage your project within the opening timeline requirements as stated in the consent letter if consent is granted (i.e. SBA preferred and express lenders and providers with the ability to expedite lending). Company has no obligation to assist you with financing and will not adjust timelines based on your inability to timely secure appropriate financing.

# Feasibility Information and Requirements:

Prior to consent, you will be required to secure feasibility information to assess necessary design and governmental approval requirements. The reliability and accuracy of the information you provide us could directly impact your project's required opening timeline. Therefore, it is essential that you provide us with reliable and accurate information on feasibility prior to consent. Company has no obligation to adjust timelines based upon your inability to timely secure any necessary design or governmental approvals. Company may, but is not obligated to, obtain a site investigation report ("SIR") for your proposed project, which may include information related to zoning, permitting, parking and loading, signage, environmental, traffic and roadway, utility and other site related requirements, restrictions and processes. If Company obtains an SIR for your project, it is doing so for its own information and purposes. Company may, but it is not obligated to, share the SIR or certain information from the SIR with you. If Company does share the information with you, you understand and agree that the information is not a substitute for you doing your own research and due diligence on the site and project, that Company makes no warranties or guaranties that the information in the SIR is accurate or complete, and that you should not rely on the information in the SIR in determining whether to move forward with the project.

# Attachments

# Must be submitted with this completed application:

Initial Franchise Fee Deposit Check of \$10,000 (this check will be cashed upon receipt) Check for the remainder of the initial franchise fee (\$35,000 for a DQ Grill & Chill or DQ

- Texas Restaurant franchise or \$15,000 for a DQ Treat franchise)
- Copies of recent bank and/or brokerage statements verifying liquid assets (please remove account numbers)
- \_\_\_\_\_Résumé or detailed work history for all applicants and management team members \_\_\_\_\_Management plan
- \_\_\_\_\_Finance arrangements from lender
  - \_\_\_\_\_If applying on behalf of a business entity:
    - **3.** For a corporation, the articles of incorporation, by-laws or shareholders agreement, or other documentation evidencing that the corporation has been duly formed and its ownership structure.
    - **4.** For a limited liability company, the articles of organization, operating agreement, or other documentation evidencing that the company has been duly formed and its ownership structure.
    - 5. For a partnership, the partnership agreement.

# Privacy

You can find information about how Company collects, uses, and shares your personal information on its privacy statement found at <a href="https://www.dairyqueen.com/en-us/privacy-statement/">https://www.dairyqueen.com/en-us/privacy-statement/</a>, (applies through the application stage) and

<u>https://dqhub.dairyqueen.net/privacy-statement</u> (applies to franchisees), including specific privacy rights for residents of states with privacy laws. By signing and submitting this application, you agree that you have read and agree to both privacy statements.

# Acknowledgments and Signature

If Applicant is awarded a franchise under this Application, this Application will constitute an integral part of the Operating Agreement and any misrepresentation of fact in the Application will be grounds for default of the Operating Agreement. I understand and agree that a site review and consent by Company does not in any way create or imply an assurance or a representation by Company of the success of the proposed restaurant.

Company does not disclose financial performance information (actual or potential sales, profits, earnings or financial success) to franchise applicants other than as set forth in its FDD or as otherwise authorized by applicable law. Company strongly recommends that you contact several franchise operators in your state to discuss financial performance of restaurants of the type in which you are interested. Company does not warrant or guarantee the accuracy or validity of information obtained from franchise operators. You acknowledge that, other than information published in the FDD, neither Company nor its representatives have stated or suggested (orally, <sup>®</sup> and <sup>©</sup> Am. D.Q. Corp.

in writing, or visually) a specific level or range of potential or actual sales, income, gross or net profits or variable expense data in connection with this Application.

I certify that all information contained in this Application is true and accurate. The information included in this Application is for use by Company in determining approval of a franchise. I authorize Company to use other investigative sources that it considers necessary in making its determination, including credit and criminal reporting agencies. I authorize any banks listed on the bank statements submitted in connection with this Application to release information necessary to assist Company in its review.

I acknowledge that I have received and read a copy of the FDD (with the proposed form of Operating Agreement) and that I have been advised to review it and this application with my legal and financial advisors before signing this application.

A)		B)	
	Signature		Signature
	Date		Date
C)		D)	
,	Signature		Signature
	Date		Date

# <u>EXHIBIT E</u>

Gift Card Program Agreements





EXECUTION

# UNITED STATES GIFT CARD ENROLLMENT PACKET

Please use the overview and instructions on the following pages as a reference in completing the Gift Card enrollment packet. If you have any questions in completing these forms please contact the Gift Card Franchisee Support Help Desk at 1(866) 874-7901.

\*\*\*Missing information will result in application rejection, required resubmission and set up delays.

## **Enrollment Packet Contents:**

- Enrollment Cover Sheet
- Participation Agreement
- Credit Application
- Prepaid Implementations and Boarding Form

# **Section A: Participation Agreement**

Instructions	Section A- Page 1-2
Participation Agreement	
Exhibit A (ACH Authorization)	Α
Exhibit B (Schedule of Designated Locations)	В
Exhibit C (Program Fees)	C
Addendum #1 (Addendum for FD-150 Terminals)	1-3

#### **Section B: Credit Application**

InstructionsSection B-Page 1	1
Credit Application	
Prepaid Implementations and Boarding Form	3

Dairy Queen Gift Card Enrollment Packet US





# COVER SHEET GIFT CARD ENROLLMENT

Please include this cover sheet with your enrollment paperwork.

#### 1. Select one *then* fill in date:

□ I am enrolling a NEW location (has never accepted Gift Cards before)

If so, anticipated date of opening is \_\_\_\_\_\_.

□ I am enrolling an existing location.

*If so*, what was the date of sale/change in ownership \_\_\_\_\_\_\_, *or* the anticipated date of sale/change in ownership \_\_\_\_\_\_?

2. What is the Dairy Queen Store Number?

Store No. \_\_\_\_\_

3. Where should we send your initial inventory of DQ/OJ Gift Cards?

□ Use store location address

□ Other Address

Business Name:		
Street Address:		
City/St/Zip:		
Attn:		
Phone:		

Dairy Queen Gift Card Enrollment Packet US

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# SECTION A: PARTICIPATION AGREEMENT

#### **INSTRUCTIONS:**

Step 1. **Print 2 copies** of the attached Participation Agreement.

#### Participation Agreement - Page 1

- Step 2. On the first line, enter today's date.
- Step 3.On the third line, enter the legal entity name of the Operated Location,<br/>Participating Franchisee or Sub-Franchisee.

#### Participation Agreement - Page 10

- Step 4. On the first line, enter the legal entity name of the Operated Location, Participating Franchisee or Sub-Franchisee.
- Step 5. On the remaining lines, sign and enter your name, title, street address, city, state and zip code of the legal entity name, telephone number, fax, email and today's date.

#### Participation Agreement, Exhibit A

- Step 6.In Section 4 of Exhibit A, enter the bank name, account number, account title<br/>(example: legal entity name of Operated Location, Participating Franchisee or Sub-<br/>Franchisee) that account is under and account ABA routing number. Attach a voided<br/>check for the account.
- Step 7. On the second page of **Exhibit A**, enter the legal entity name of the Operated Location, Participating Franchisee or Sub-Franchisee on the first line. On the remaining lines, sign and enter your name, title, street address, city, state and zip code of the legal entity name, telephone number, fax and email. Also, please enter your Tax ID number.

## Participation Agreement, Exhibit B

Step 8.List each Dairy Queen or Orange Julius Store Number and address information for<br/>each Designated Location that you are signing up for the Program.

### Participation Agreement, <u>Addendum #1</u> (Addendum for FD-150 Terminals) NOTE: Only use/complete the Addendum #1 if Operated Location, Participating Franchisee, or Sub-Franchisee chooses to rent or purchase a FD-150 terminal for use as a "*Gift Card only*" terminal (*no processing*).

Step 9. On the first line, enter today's date. On the third line, enter date Participation Agreement was signed (see step #2). These two dates do not need to be the same.

Step 10.	On page 2, <b>Section 2</b> , Election, mark your choice (Purchase or Rental). If you select Purchase, we suggest you also select the Equipment Replacement Program to cover your Terminals in case of malfunction.
Step 11	On page 3, enter the legal entity name of the Operated Location, Participating Franchisee or Sub-Franchisee on the first line. On the remaining lines, sign and enter your name, title, street address, city, state and zip code of the legal entity along with the date Addendum #1 is signed.
Step 12.	Following page 3, complete and sign the <b>FD Prepaid Implementation and Boarding Form Version Dq</b> .
Step 13.	Return both completed and signed originals of the Participation Agreement and Credit Application to the following fax number:

#### FAX: 1- 402- 916- 8946

After processing your Participation Agreement, GIFT will return 1 fully executed copy of the Participation Agreement to you. Accompanying your copy of the Agreement will be a cover letter containing your GIFT Merchant ID Number and First Data Net log-on information with password to access your gift card reconciliation reports via the Internet.

#### **Participation Agreement for**

# U.S. Franchisees and Sub-Franchisees of DQ GC Inc.

This "Participation Agreement" is between *First Data Resources, LLC*, successor in interest to Gift Solutions LLC, f/k/a ValueLink, LLC ("GIFT") and \_\_\_\_\_\_ [insert full legal name] ("Operated Location," "Participating Franchisee" or "Sub-Franchisee"), and shall be effective on the latest date that appears in the signature block. Unless otherwise indicated herein, "party" or "parties" refer to GIFT and/or Participating Franchisee or Sub-Franchisee. "Processor" refers to GIFT and its agents. A "Designated Location" is a Dairy Queen Restaurant and/or Orange Julius Store owned and operated by Participating Franchisee or Sub-Franchisee.

#### Background

• **DQ GC Inc.** ("**Client**") and GIFT entered into that certain Agreement, dated JUNE 14, 2006 (the "**Agreement**"), pursuant to which Client operates a stored value card program ("**Client's Program**" or the "**Program**") and GIFT provides to Client data processing and related services for the Program;

• Operated Location (which are Designated Locations operated by Client), Participating Franchisee or Sub-Franchisee (which collectively are franchisees of Client) desire to participate in the Program and Client has approved Operated Location, Participating Franchisee or Sub- Franchisee to participate in the Program; and

• Operated Location, Participating Franchisee or Sub-Franchisee will engage GIFT to provide, and GIFT has agreed to provide to Operated Locations, Participating Franchisee or Sub-Franchisee, the Services, as defined below, for the Program in accordance with the terms of this Participation Agreement.

The parties agree as follows:

**1 GIFT Responsibilities**. GIFT will provide these services (the "Services"):

- 1.1 **Database; Reports.** GIFT will maintain a Database of Card Data. "**Card Data**" is the transaction record and current value of each Card recorded in the Database. The "**Database**" is the information repository software owned and operated by GIFT or its suppliers.
- 1.2 **Authorization**. GIFT will respond to authorization requests and process Card transactions received at GIFT's data processing center in GIFT's designated format ("**Authorization**"). GIFT will reduce the Card balance by the amount authorized. Operated Locations, Participating Franchisee or Sub-Franchisee will obtain payment from the Cardholder for any deficiency between the purchase price and the amount authorized. "**Cardholder**" means any person possessing or using a Card or Card number. Authorizations will be provided in a real time or batch environment, as mutually agreed. Authorizations will be based on the available balance recorded in the Database. GIFT is not responsible for determining whether transactions are fraudulent, improper or otherwise unauthorized.
- 1.3 IVR; Help Desk. GIFT will operate an IVR, 24 hours per day, 7 days per week for the processing of mutually agreed transactions. "IVR" means an automated interactive voice response system accessible from the U.S. and Canada through a toll free telephone number. GIFT shall provide the following help desks during the term of this Agreement: (i) a Level I help desk that will be available twenty-four (24) hours per day, seven (7) days per week (Christmas Day excluded), for the processing of transactions pursuant to this Agreement, which shall provide Cardholder and restaurant support from a toll free telephone number; and (ii) a Level I help desk that will be available Monday through Friday, 8:00 am to 8:00 pm ET, which shall provide restaurant support from a toll free telephone number that will be provided to Client.
- 1.4 Settlement. GIFT will, through its Agents, and as Processor, provide certain settlement services to Client and Operated Locations, Participating Franchisee or Sub-Franchisee (the "ACH Settlement Services") through debits and credits to the Operated Locations, Participating Franchisee or Sub-Franchisee Account (as defined below) and the designated accounts of Client (the "Merchant Account") for the net value of Card Transactions. Operated Locations, Participating Franchisee or Sub-Franchisee must provide Client

with an ACH Authorization in the form of **Exhibit A** hereto, and by executing this Participation Agreement, hereby confirms its authorization of Client and its service providers (including GIFT and Affiliated Processor, acting on behalf of Client) to initiate debit and credit entries to the Operated Locations, Participating Franchisee or Sub-Franchisee Account as necessary or appropriate to effect any Card transaction and all adjustments and corrections thereto, and as necessary or appropriate to effect any other transfer contemplated by this Participation Agreement. Operated Locations, Participating Franchisee or Sub-Franchisee shall comply with and be bound by any applicable law and the rules and regulations of the National Automated ClearingHouse Association as in effect from time to time.

- 1.5 **Returned Items.** In the event that any debit to Participating Franchisee or Sub- Franchisee Account is returned for any reason, including but not limited to, insufficient funds, Participating Franchisee or Sub-Franchisee authorizes Client and its service providers, acting on behalf of Client, to initiate a debit to the Participating Franchisee or Sub-Franchisee Account as set forth in the form of **Exhibit A** for the original debit amount plus any associated returned item fees (including, but not limited to the "**Returned Item Fee**" set forth on **Exhibit C** hereto). Nothing herein shall be construed to limit Client (as third party beneficiaries under this Participation Agreement) or GIFT's ability to collect any amounts owed under this Participation Agreement, and Client (as third party beneficiaries under this Participation Agreement) and GIFT expressly reserve the right to exercise any and all rights and remedies available under applicable law.
- 1.6 License. GIFT may provide or permit Operated Locations, Participating Franchisee or Sub-Franchisee to access computer software, enhancements thereto and updates, new releases, and copies thereof ("Software"). All right, title and interest in and to all Software will remain in GIFT or its suppliers and no title is transferred to Operated Locations, Participating Franchisee or Sub-Franchisee. GIFT grants to Operated Locations, Participating Franchisee or Sub-Franchisee, and Operated Locations, Participating Franchisee accepts, the nonexclusive, nontransferable right during the term of this Participating Franchisee or Sub-Franchisee will not copy, modify, distribute, display, sublicense, rent, reverse engineer, decompile, create derivative works of, or disassemble the Software, nor will Operated Locations, Participating Franchisee or Sub-Franchisee allow anyone else to do so, except to the extent permitted by applicable law. Operated Locations, Participating Franchisee acknowledges that the Software is proprietary and Confidential Information of GIFT. Operated Locations, Participating Franchisee or Sub-Franchisee will not alter, remove, modify or suppress any notices in the Software.

#### 2 Operated Location, Participating Franchisee or Sub-Franchisee Responsibilities.

- 2.1 **Card Production**. Operated Locations, Participating Franchisee or Sub-Franchisee will obtain all Cards for the Program from Client. A "**Card**" is a Client-issued plastic card with a magnetic stripe that accesses Card Data. Operated Locations, Participating Franchisee or Sub-Franchisee acknowledges that Client is responsible for the control and distribution of Cards to Operated Locations, Participating Franchisee or Sub-Franchisee under the Program.
- 2.2 **Operated Locations, Franchisee or Sub-Franchisee Account**. Operated Locations, Participating Franchisee or Sub-Franchisee shall establish and maintain a deposit account(s) (the "**Operated Locations, Franchisee or Sub-Franchisee Account**") at an insured depository institution (the "**Depository**") for the settlement of Card transactions and other transactions as authorized from time to time in the Program Procedures (as defined below, and collectively referred to as "**Card Transactions**").
- 2.3 **Distribution; Card Authorization Equipment**. Operated Locations, Participating Franchisee or Sub-Franchisee will actively promote the Program. Operated Locations, Participating Franchisee or Sub-Franchisee will request an Authorization in advance of each transaction. Operated Locations, Participating Franchisee or Sub-Franchisee will provide and maintain (i) all POS devices, telecommunications facilities and other equipment (collectively, "**Card Authorization Equipment**") required for Operated Locations, Participating Franchisee or Sub-Franchisee to electronically transmit Card transaction data from Designated Locations to GIFT; and (ii) any development, programming or other modifications to the Card Authorization Equipment as necessary to access and use Services and Service modifications. A "**POS**" is a

point of sale terminal, device or system certified to GIFT specifications. The parties will test the Card Authorization Equipment for functionality prior to Program launch.

- 2.4 Designated Locations. Operated Locations, Participating Franchisee or Sub-Franchisee shall participate in the Program in each of its Designated Locations. Information regarding Operated Locations, Participating Franchisee or Sub-Franchisee's Designated Locations is set forth in the Schedule of Designated Locations, attached hereto as Exhibit B. During the Term, Operated Locations, Participating Franchisee or Sub-Franchisee shall notify GIFT of any changes necessary to keep Exhibit B updated, including, without limitation, any restaurant transfers or closures, and this Participation Agreement shall no longer apply with respect to such Designated Locations and, to the extent that Operated Locations, Participation Agreement shall apply with respect to such new Designated Location. Each time Card Transactions are authorized at a Designated Location of Operated Locations, Participating Franchisee or Sub-Franchisee or Sub-Franchisee or Sub-Franchisee or Sub-Franchisee or Sub-Franchisee is a complete list of its Designated Locations, and that the information contained therein is true and correct.
- 2.5 **Program Procedures.** The processes and procedures by which Operated Locations, Participating Franchisee or Sub-Franchisee sells Cards and enables use of Cards at Designated Locations are also part of the Program, and Operated Locations, Participating Franchisee or Sub-Franchisee shall be solely responsible that such processes and procedures comply with the Program Procedures, as defined below. Client is solely responsible for defining and implementing those processes and procedures, including those relating to the sale of Cards, service fees (if any), Card redemption, merchandise returns or refunds and Cardholder dispute resolution (collectively, "**Program Procedures**"). Operated Locations, Participating Franchisee or Sub-Franchisee understands that GIFT has no obligation to process any transaction for any card other than Cards supported under the Program.
- 2.6 **Cardholder Fees.** Fees assessed to Cardholders in connection with Cards, including any transaction, maintenance or inactivity fees, shall be as established by Client. Operated Locations, Participating Franchisee or Sub-Franchisee shall not assess any fee or surcharge for purchase, use, activation or any other transaction in respect of a Card unless otherwise defined in the Program Procedures.
- 2.7 Terminals. Each Operated Location's, Participating Franchisee's and Sub-Franchisee's Designated Locations must use a terminal certified to GIFT's specifications (the "Terminal") for Card Transactions. In the event an Operated Locations, Participating Franchisee or Sub-Franchisee does not currently own, rent or lease the Terminals, it will need to acquire Terminals in accordance with the pricing indicated on Addendum #1, attached hereto. Should an Operated Location's, Participating Franchisee's or Sub-Franchisee's or Sub-Franchisee's Designated Location currently operate one or more point of sale terminals that support Card Transactions and are certified to GIFT's specifications and Client's Program Procedures, such Designated Location may use such certified terminals for Card Transactions.

#### 3 Fees and Charges.

- 3.1 **Fees.** Participating Franchisee or Sub-Franchisee shall pay, in accordance with **Exhibit C**, the Program fees set forth on **Exhibit C** to this Participation Agreement ("**Program Fees**"). Participating Franchisee or Sub-Franchisee agrees that all Program Fees shall be paid by an ACH debit from the Participating Franchisee or Sub-Franchisee Account as set forth in the form of **Exhibit A**, and Participating Franchisee or Sub-Franchisee authorizes Client and its service providers, including GIFT, to debit and/or credit funds from or to the Participating Franchisee or Sub-Franchisee Account for such purpose, on or about the 15th calendar day of each month, for so long as this Participation Agreement is in effect.
- 3.2 **Fee Adjustments.** Program Fees are subject to adjustment if necessary to pass through any increases or decreases in costs associated with the Program. Any such adjustment resulting in an increase in cost associated with Program Fees shall become effective upon thirty (30) days notice to Participating Franchisee or Sub-Franchisee.

**4 Term.** The "**Term**" begins when the Participation Agreement is signed by the parties and continues for so long as the Agreement is in effect, provided, however, that to the extent GIFT is required to provide commercially reasonable

support services following a termination of the Agreement, the provisions of this Participation Agreement shall remain in effect, but only to the extent necessary for GIFT to perform such services and for Operated Locations, Participating Franchisee or Sub- Franchisee to fulfill its obligations in connection with such services. Notwithstanding anything herein to the contrary, Participating Franchisee or Sub-Franchisee has the right to terminate this Participation Agreement, without cause and without any penalty fee, upon no less than sixty (60) days' prior written notice to GIFT, with a copy of such notice to Client.

#### 5 Termination for Cause.

- 5.1 Either party has the right to terminate this Participation Agreement immediately in the event that the other party is guilty of a material breach of this Participation Agreement, and such breach remains uncured thirty (30) days following receipt of notice thereof. GIFT will provide a copy of such notice of termination to Client.
- GIFT may terminate this Participation Agreement upon notice to Operated Locations, Participating 5.2 Franchisee or Sub-Franchisee: (i) if Operated Locations, Participating Franchisee or Sub-Franchisee or the Program causes GIFT to violate any law or regulation and Operated Locations, Participating Franchisee or Sub-Franchisee or Client fails to cure the condition causing such violation within ten (10) business days after notice; (ii) if Operated Locations, Participating Franchisee or Sub-Franchisee fails to pay any amount due within ten (10) days after receipt of notice; (iii) if GIFT determines, in its sole discretion, that a material adverse change has occurred in the financial condition of Operated Locations, Participating Franchisee or Sub-Franchisee; (iv) in whole or in part, in one or more jurisdictions, if the ACH Settlement Services cause GIFT or its Affiliated Processor to violate any law or regulation and Operated Locations, Participating Franchisee or Sub-Franchisee or Client fails to cure the condition causing such violation within ten (10) business days after notice; (v) if GIFT is informed that Operated Locations, Participating Franchisee or Sub-Franchisee no longer operates as a franchisee of Client; or (vi) if Client instructs GIFT in writing to immediately terminate the Participation Agreement. GIFT will provide a copy of such notice of termination to Client. GIFT's obligation to provide the Services will be suspended during the cure periods referenced in clauses (i) and (iv).
- 5.3 Either party may also terminate this Participation Agreement immediately in the event that the other party shall go into liquidation, suffer the appointment of a receivership of its assets, go into bankruptcy, voluntarily or involuntarily, or otherwise take advantage of any insolvency laws, or upon any voluntary or involuntary sale, transfer, or other disposition of substantially all of the assets of the other party. GIFT will provide a copy of such notice of termination to Client.

**6 Termination of Agreement.** Termination or expiration of the Agreement results in immediate termination of this Participation Agreement with no notice required.

7 **Termination of Franchise Agreement(s).** Termination or expiration of Operated Location's, Participating Franchisee's or Sub-Franchisee's franchisee agreement(s) with Client ("**Franchise Agreement**") results in immediate termination of this Participation Agreement with respect to the Designated Locations covered by the terminated or expired Franchise Agreement, with no notice required.

**8 Exclusivity.** During the Agreement term: (i) GIFT will be the sole and exclusive provider of the Services to Operated Locations, Participating Franchisee or Sub-Franchisee; and (ii) Operated Locations, Participating Franchisee or Sub-Franchisee will not, directly or indirectly, offer or promote any other proprietary, closed network, online gift card program. Nothing in the foregoing shall restrict or prohibit Operated Locations, Participating Franchisee or Sub-Franchisee from accepting any Visa, MasterCard, American Express, Discover or other universally accepted credit or debit card or from participating in any "open network" gift card program with other merchants. For purposes of clarification, a "closed network" program refers to a program in which a gift card is accepted only by the issuing merchant, and an "open network" program refers to a program in which a single gift card is accepted by more than one unaffiliated merchants. During the Term of this Agreement, Operated Locations, Participating Franchisee or Sub Franchisee shall have the right to accept a mall issued gift card.

**9 Confidentiality**. "Confidential Information" includes this Participation Agreement and any information obtained by one party ("Recipient") regarding the other party ("Discloser") or their respective businesses, including all

confidential or proprietary concepts, Software, documentation, reports, data, specifications, Card Data, computer software, source code, object code, flow charts, databases, inventions, know-how, show-how and trade secrets, whether or not patentable or copyrightable. Confidential Information will not include information that: (i) is or becomes in the public domain through no fault of Recipient; (ii) was received from a third party free of any obligation of confidence to Recipient's knowledge; (iii) was in Recipient's possession prior to receipt from Discloser;

(iv) is required to be disclosed by law, regulation or court order after giving Discloser as much advance notice as practical; or (v) is independently developed by Recipient's employees, consultants or agents without use of or reference to the Discloser's Confidential Information. Participation Agreement will be used by Recipient only to exercise its rights and to perform its obligations under this Participation Agreement. Recipient will use reasonable care to safeguard Confidential Information. Recipient will return or destroy Confidential Information within a reasonable period after request, except that GIFT may retain Card Data, subject to this **Section 9**, to comply with any legal or regulatory requirements or any potential audit requests or requirements. Breach of the restrictions on use or disclosure of Confidential Information will result in immediate and irreparable harm to Discloser and money damages will be inadequate to compensate for that harm. Discloser will be entitled to equitable relief in addition to all other available remedies to redress any breach. Except as expressly provided herein, no license is granted to Recipient under any Discloser patent, trademark, copyright, trade secret or other proprietary right.

#### 10 Indemnification.

- 10.1 **General**. Subject to the limitations set forth in **Sections 11**, each party will indemnify the other, its Affiliates, and their respective directors, officers, employees, and agents from and against any and all third party claims, losses, liabilities and damages (including reasonable attorneys' fees and costs of settlement) resulting from or arising out of its failure to comply with this Participation Agreement. Operated Locations, Participating Franchisee or Sub-Franchisee further agrees to indemnify GIFT, its directors, officers, employees, and agents from and against any and all third party claims, losses, liabilities and damages (including reasonable attorneys' fees and costs of settlement) resulting from or arising out of GIFT's compliance with Operated Locations, Participating Franchisee or Sub-Franchisee or Sub-Franchisee or Sub-Franchisee or Sub-Franchisee or Sub-Franchisee is instructions, orders or specifications. "**Affiliate**" means, with respect to either party, any entity controlling, controlled by or under common control with such party.
- 10.2 Intellectual Property. GIFT agrees to indemnify Operated Locations, Participating Franchisee or Sub-Franchisee, its directors, officers, employees and agents from and against all third party claims, losses, liabilities and damages (including reasonable attorneys' fees and costs of settlement) resulting from or arising out of any allegation that GIFT's Software misappropriate or infringe such third party's U.S. copyright, trademark, patent or other intellectual property right, except to the extent that such allegation arises from (i) Operated Locations, Participating Franchisee or Sub-Franchisee's use of Software other than in compliance with this Agreement and any documentation supplied by GIFT, (ii) Operated Locations, Participating Franchisee or Sub-Franchisee's use of Software in combination with other software, equipment, systems, services, processes, components or elements not provided by GIFT, if the infringement or misappropriation would not have occurred but for such use or combination, or (iii) modifications or development requested by Client or Operated Locations, Participating Franchisee or Sub-Franchisee, using designs, instructions or specifications provided or approved by Client or Operated Locations, Participating Franchisee or Sub-Franchisee. Operated Locations, Participating Franchisee or Sub-Franchisee agrees to indemnify GIFT, its directors, officers, employees and agents from and against all third party claims, losses, liabilities and damages (including reasonable attorneys' fees and costs of settlement) resulting from or arising out of any allegation that materials supplied by Client or Operated Locations, Participating Franchisee or Sub- Franchisee (including trademarks, artwork, designs and specifications) misappropriate or infringe such third party's U.S. copyright, trademark, patent or other intellectual property right, except to the extent that such allegation arises from GIFT's use of such materials other than in compliance with (a) this Agreement or (b) any relevant instructions supplied by Client or Operated Locations, Participating Franchisee or Sub-Franchisee.

#### 11 Limitation of Liability; Disclaimer of Warranties.

- 11.1 **Limitation**. Except for **Section 10.2**. Above, GIFT'S, and its suppliers' and processor's, cumulative aggregate liability to Client and Operated Locations, Participating Franchisee and Sub-Franchisees and all other operated locations, participating franchisee and sub-franchisees under the Agreement this Participation Agreement and all participation agreements will be limited to actual direct damages and, in any event, will not: (i) exceed \$3,000,000; or (ii) include any liability for claims arising out of or relating to the cards issued to Participating Franchisees from Client. For example, if Client and two additional Operated Locations, Participating Franchisee and Sub-Franchisees participate in the Program, GIFT'S cumulative aggregate liability to Client and such Operated Locations, Participating Franchisee and Sub-Franchisees for actual direct damages will not exceed \$3,000,000 and will not include any liability for claims arising out of or relating to services and/or items supplied by Client or third parties.
- 11.2 **Exclusion**. In no event will any party to this Participation Agreement, their affiliates, or any of their respective officers, directors, employees, or agents be liable for lost profits, lost business opportunities, lost revenues, exemplary, punitive, special, incidental, indirect or consequential damages or the like, each of which is excluded by agreement of the parties regardless of whether such damages were foreseeable or whether a party has been advised of the possibility thereof.
- 11.3 **Disclaimer**. This is a service agreement. Except as expressly provided in this Participation Agreement, GIFT disclaims all representations and warranties, express or implied, including any warranties of quality, suitability, merchantability, fitness for a particular purpose or noninfringement.
- 11.4 **Time Limitation**. Operated Locations, Participating Franchisee or Sub-Franchisee may not assert any cause of action against GIFT under this Participation Agreement that was or reasonably should have been discovered by Operated Locations, Participating Franchisee or Sub- Franchisee more than one year prior to the filing of a suit or the commencement of arbitration proceedings alleging such cause of action.
- 11.5 **Compliance with Law**. Operated Locations, Participating Franchisee or Sub-Franchisee will comply with all laws and regulations applicable to its business.

**12 Pre-condition to Liability.** Prior to bringing any claim against GIFT under this Participation Agreement, Participating Franchisee or Sub-Franchisee shall provide Client with written notice detailing the claim ("**Notice of Claim**"), and Client shall have the right to pursue such claim on Operated Location's, Participating Franchisee's or Sub-Franchisee's behalf by providing Operated Location, Participating Franchisee or Sub-Franchisee with written notice of the same within ten (10) business days after receiving the Notice of Claim. If Client elects to pursue such claim on Operated Location's, Participating Franchisee's or Sub-Franchisee's behalf, Operated Location, Participating Franchisee or Sub-Franchisee may participate in the claim with Client at Operated Location's, Participating Franchisee's or Sub-Franchisee's behalf shall be binding on Operated Location, Participating Franchisee or Sub-Franchisee's behalf shall be binding on Operated Location, Participating Franchisee's or Sub-Franchisee's behalf shall be binding on Operated Location, Participating Franchisee's or Sub-Franchisee's behalf shall be binding on Operated Location, Participating Franchisee's or Sub-Franchisee's behalf shall be binding on Operated Location franchisee's or Sub-Franchisee's or Sub-Franchisee's participating Franchisee's behalf shall be binding on Operated Location franchisee's or Sub-Franchisee's behalf, Operated Location, Participating Franchisee or Sub-Franchisee may pursue such claim on its own behalf.

#### 13 Miscellaneous.

- 13.1 **Notices**. Notices will be effective upon receipt if they are received in writing, by registered or certified mail, postage prepaid, return receipt requested or by overnight delivery to the President of the other party at its address on the signature page.
- 13.2 **Independent Contractor: Third Party Beneficiaries.** The parties are independent contractors. Neither party shall have any authority to bind the other. This Participation Agreement is entered into solely for the benefit of GIFT and Operated Locations, Participating Franchisee or Sub- Franchisee, and will not confer any rights upon any person not expressly a party to this Participation Agreement, including Cardholders. GIFT may subcontract with others to provide Services provided that no such use of subcontractors will relieve GIFT of its obligations under this Agreement.
- 13.3 Complete Agreement. This Participation Agreement is the complete and exclusive understanding of the

parties with respect to its subject matter. Except as expressly provided herein, no modification or waiver of this Participation Agreement will be valid unless in writing signed by each party. A party's waiver of a breach of any term will not be a waiver of any subsequent breach of the same or another term.

13.4 **Assignment**. Operated Locations, Participating Franchisee or Sub-Franchisee may not assign its rights or delegate its obligations under this Participation Agreement without GIFT's prior written consent.

**14 Governing Law; Arbitration**. The laws of the State of Delaware, excluding its rules on conflicts of laws, will govern this Participation Agreement. Subject to **Section 12**, all disputes will be submitted to the American Arbitration Association (the "**AAA**") for resolution before a panel consisting of three arbitrators, one of which will be selected by Participating Franchisee or Sub-Franchisee, one by GIFT and the third selected by mutual agreement of the first two. Arbitration will be conducted in accordance with the Commercial Arbitration Rules of the AAA then in effect. The decision of the arbitrators will be binding upon the parties; except that disputes arising out of **Section 9** will not be subject to arbitration, and may be brought to a court for judicial resolution. Judgment upon any arbitration award or decision may be entered in any court having jurisdiction. Arbitration will be held in Denver, Colorado. Each party will pay its own arbitration expenses and one-half of the fee of the arbitrators and the administrative fee of the AAA. The Colorado Rules of Evidence will apply to such arbitration. The arbitrators will be required to render a decision based on the terms of this Participation Agreement and applicable law.

[Signatures on next page.]

#### **Authorized Signatures:**

	First Data Resources, LLC		
State of Formation:	9		
Ву:	Ву:		
Name:	Name:		
Title:	Title:		
Date:	Date:		
Address for Notices:	Address for Notices:		
	First Data Resources, LLC		
	2900 Westside Parkway		
	Alpharetta, GA 30004		
Attention:	Attention: Vice President Operations		
and copy to:	and copy to:		
	First Data Resources, LLC		
	6855 Pacific Street		
	Omaha, Nebraska 68106		
Attention:	Attention: Legal Department		

#### **EXHIBIT A**

#### ACH (Debit and Credit) Authorization

By providing the information requested below and signing this ACH Authorization, the undersigned Operated Locations, Participating Franchisee or Sub-Franchisee hereby:

- Authorizes Client and its service providers, acting on behalf of Client, to initiate ACH debit and credit entries to the deposit account indicated below, and to debit and credit the same to such account, as necessary or appropriate to effect any Card transaction and all adjustments and corrections thereto, and as necessary or appropriate to effect any other transfer contemplated by the Participation Agreement, including, without limitation, any Program fees, (including, but not limited to shipping fees, fulfillment fees, merchandising materials and card fees, etc.);
- 2. In the event that any debit to the deposit account is returned for any reason, Operated Locations, Participating Franchisee or Sub-Franchisee authorizes Client and its service providers, acting on behalf of Client, to initiate a debit to the account for the original debit amount plus any associated returned item fees;
- **3.** Agrees that Operated Locations, Participating Franchisee or Sub-Franchisee will comply with any applicable law and the rules and regulations of the National Automated Clearing House Association as in effect from time to time; and
- **4.** Certifies that the authorized officer indicated below has the authority to bind Operated Locations, Participating Franchisee or Sub-Franchisee, and that this ACH Authorization constitutes a writing signed by Participating Franchisee or Sub-Franchisee.

Bank Name:		
Account No.:		
Account Title:		
ABA Routing No.:		

# PLEASE ATTACH VOIDED CHECK

#### \*\*\*NO STARTER CHECKS\*\*\* If you only have starter checks, instead please provide a short bank letter instead validating the Business checking account name, account number and routing number.

Capitalized terms used herein without definition shall have the meaning provided to such terms in the Participation Agreement.

This authorization is to remain in full force and effect until thirty (30) days after the Participation Agreement has been terminated and Client has received written notification from Operated Locations, Participating Franchisee or Sub-Franchisee of this authorization's termination in such time and in such manner as to afford Client and its third party service providers and the Depository a reasonable opportunity to act on it. No such termination shall relieve Operated Locations, Participating Franchisee or Sub-Franchisee of any obligations or liabilities that accrue or relate to events that have occurred prior to such termination.

#### Authorization and Agreement:

gal Entity Name:	
gnature:	
int Name:	
ile:	
reet Address:	
ty, State and ZIP:	
one Number:	
csimile (Fax):	
mail:	
tity Taxpayer ID #:	

#### EXHIBIT B

## Schedule of Designated Locations - REQUIRED

Please list each Dairy Queen Store Number and address information for each Designated Location that you are signing up for the program.

Store Number	Street Address	City	State	Zip Code	Telephone Number
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				-	

Please attach additional pages as necessary.

US Participation Agreement 08.05.21 FINAL

#### **EXHIBIT C**

#### **Program Fees**

**Card Transaction Fee**: Participating Franchisee or Sub-Franchisee will pay Client an initial transaction processing fee of **\$0.04** on all Card redemption, reload, balance inquiry, time-out reversal and void transactions initiated from Card Authorization Equipment within each of Participating Franchisee or Sub-Franchisee's Designated Locations, subject to adjustment per **Section 3** of the Participation Agreement.

**Help Desk Support Fee**: Participating Franchisee or Sub-Franchisee will pay Client a monthly fee of **\$3.50** for each Designated Location that Participating Franchisee or Sub-Franchisee signs up for the Program.

**ACH Settlement Services Fee**: Participating Franchisee or Sub-Franchisee will pay Client a fee of **\$0.10** for each ACH debit or credit entry initiated to the Participating Franchisee or Sub-Franchisee Account.

**ACH Returned Item Fee**: Participating Franchisee or Sub-Franchisee will pay Client a returned ACH item fee of **\$25.00** for each ACH entry submitted against the Franchisee or Sub-Franchisee Account that is returned for any reason, including but not limited to insufficient funds. Fee will not be charged to Participating Franchisee or Sub-Franchisee if returned ACH item is caused by Client's service provider.

**Terminal Reprogramming Fee**: For Participating Franchisee or Sub Franchisee owned FD-150 Terminals that are not provided by GIFT, there is a **\$25.00** per Terminal reprogramming fee associated with downloading a GIFT gift card Terminal application via telephone.

#### **ADDENDUM #1**

#### Addendum for FD-150 Terminals

#### 1. Purchase and Rental Options.

- 1.1. **Purchase**. Participating Franchisee and Sub-Franchisee may purchase Terminals subject to terms set forth below.
  - 1.1.1 **Sale Price**; Adjustments. Operated Locations, Participating Franchisee and Sub- Franchisee may purchase a new Terminal(s) offered by GIFT at a sale price of \$245.00 (the "Sale Price").
  - 1.1.2. **Deployment Fee**. In addition, Operated Locations, Participating Franchisee and Sub-Franchisee will be charged a one-time deployment fee of \$75.00 per Terminal deployment per Designated Location.
  - 1.1.3. **Equipment Replacement Program**. Participating Franchisee and Sub- Franchisee may, but shall not be obligated to, participate in an equipment replacement program for Terminal(s) purchased from GIFT that are out of warranty at a cost of \$125.00 per replaced Terminal. Equipment replacement includes, but is not limited to, overnight service on replacement Terminal and call tag pick-up of defective Terminal.
- 1.2. **Rental**. Participating Franchisee and Sub-Franchisee may rent Terminals subject to the terms set forth below.
  - 1.2.1. Rental Rates. Operated Locations, Participating Franchisee and Sub-Franchisee may rent Terminal(s) from GIFT, or another provider designated by GIFT pursuant to GIFT's (or the alternative provider's) standard rental agreement terms at a rate of \$25.00 per Terminal with no rental term commitment; \$14.00 per Terminal based on a rental term commitment of 36 months and \$11.00 per Terminal based on a rental term commitment of 48 months. Rental Terminals deployed by GIFT or its alternative provider may be either new or refurbished.
  - 1.2.2. **Deployment Fee**. In addition, Operated Locations, Participating Franchisee and Sub-Franchisee will be charged a one-time deployment fee of \$75.00 per Terminal deployment plus applicable shipping, duties and taxes per Designated Location.
  - 1.2.3. **Purchase Option**. Should Participating Franchisee and Sub-Franchisee choose the Terminal rental option of either a 36 month or 48 month term commitment, Participating Franchisee and Sub-Franchisee shall have the option to purchase any or all of the rented Terminal(s) at \$25.00 per Terminal at the end of the Rental Term. Terminals not purchased shall be returned to the Terminal provider.
  - 1.2.4. Early Termination Fees. Should Participating Franchisee and Sub-Franchisee choose the Terminal

rental option of either a 36 month or 48 month term commitment and if Terminal(s) are rented for less than the term of the rental commitment, Participating Franchisee or Sub-Franchisee will be subject to an administration fee for each rented Terminal at the cessation of the Rental Term equal to (A) For a 36 month rental term; \$10.41 multiplied by the difference between thirty-six (36) and the number of monthly rental payments made by Participating Franchisee or Sub-Franchisee; (B) For a 48 month rental term; \$7.81 multiplied by the difference between forty-eight (48) and the number of monthly rental payments made by Participating Franchisee or Sub-Franchisee and (C) a "Restocking Fee" calculated as follows:

- a) If less than 20 Rental Payments are Made then the Restocking Fee Per Terminal is \$50.00
- b) If 20 to 36 Rental Payments are Made then the Restocking Fee Per Terminal is \$40.00
- c) If 37 to 48 Rental Payments are Made then the Restocking Fee Per Terminal is \$30.00
- 1.2.5. **Equipment Replacement Program**. All Terminals rented shall be included in an equipment replacement program at no additional cost. Equipment replacement includes, but is not limited to, overnight service on replacement Terminal and call tag pick-up of defective Terminal.

#### 2. Election.

Operated Locations, Participating Franchisee and Sub-Franchisee hereby selects the following (check all applicable and fill in quantities):

Terminal Option	Terminal Type	Terminal Quantity	Term (if applicable)	Applicable Price	Total
Purchase	First Data 150 terminal (N-FD-150)		N/A	\$245.00 per Terminal *	
Equipment Replacement Program	First Data 150 terminal (N-FD-150)		N/A	\$125.00 per Terminal	N/A
□ Rental	First Data 150 terminal (N-FD-150)		N/A	\$25.00 per Terminal *	
🗆 Rental	First Data 150 terminal (N-FD-150)		36 months	\$14.00 per Terminal *	
🗆 Rental	First Data 150 terminal (N-FD-150)		48 months	\$11.00 per Terminal *	

\* Per Terminal Deployment Fee: \$75.00 per terminal:

- Inclusive of all application setup, download, shipping and handling fees.
- Inclusive of one terminal and/or peripherals and/or accessories that accompany one terminal.
- Inclusive of 1-3 business day delivery (3 day guaranteed).
- **3.** ACH Debit Authorization. Operated Locations, Participating Franchisee and Sub-Franchisee authorizes GIFT and its service providers, acting on behalf of GIFT, to initiate ACH debit and credit entries to the deposit account indicated on Exhibit A to the Franchisee and Sub-Franchisee Participation Agreement, and to debit and credit the same to such account, as necessary or appropriate to effect any charge, fee or other transfer contemplated by this Addendum and all adjustments and corrections thereto. Operated Locations, Participating Franchisee and Sub-Franchisee shall comply with Applicable Law and the rules and regulations of the National Automated Clearing House Association as in effect from time to time.

**4. Conflict with Agreement**. Except as supplemented or amended by this Addendum, all provisions of the Agreement shall continue in full force and effect, but if there shall be any conflict or inconsistency between the provisions of this Addendum and the Agreement, the provisions of this Addendum shall govern and control.

#### **Authorized Signatures:**

#### First Data Resources, LLC

Ву:	Ву:		
Name:	Name:		
Title:	Title:		
Date:	Date:		
Address for Notices:	Address for Notices:		
· · · · · · · · · · · · · · · · · · ·	First Data Resources, LLC		
	2900 Westside Parkway		
	Alpharetta, GA 30004		
Attn:	Attn: Vice President Operations		
and copy to:	and copy to:		
	First Data Resources, LLC		
	6855 Pacific Street		
	Omaha, Nebraska 68106		
Attn:	Attn: Legal Department		

## SECTION B: CREDIT APPLICATION

#### INSTRUCTIONS

- Step 1. **Print 1 copy** of the attached Credit Application.
- Step 2. An owner, partner, or officer must complete and sign the Credit Application. A Social Security number is required. Complete as indicated.

SECTION B- PAGE 1

## Credit Application Gift Solutions - Participating Franchisee

All questions must be answered fully in order for this credit application to be processed.

#### Participating Franchisee Information ("Franchisee")

1,	Legal Name of Operated Location, Participating Franchisee or Sub-Franchisee:				
2.	Doing Business As (d/b/a):				
3.	Form of Organization:	□ Corporation □ Partnership □ Other:	□ Limited Liability □ C □ Limited Partnership	ompany 🗆 Sole Pro	prietorship
4.	State of Incorporation / Formation / Registration:				
5.	Date of Incorporation / Formation / Registration:				
6.	Federal Tax ID No (FEIN):				
7.	Mailing Address (Street/City/State/Zip):				
8.	Time at present address:				
9.	Time in Business:				
10.	Telephone Number:				
11,	Fax Number:				
12.	Contact Name:				
13.	Contact Email address:				
14.	Contact Phone Number:				
15.	Contact Fax Number:				

#### **Terms and Conditions**

All statements contained in this application and in the financial statements and other documentation submitted in support of this application are true and correct. Permission and authorization is hereby granted to First Data Resources. LLC. First Data Corporation and its and their affiliates and representatives (collectively "FDC") as well as to prior employers. trade references. Dun & Bradstreet, banks, consumer credit services, consumer reporting agencies and state and federal government representatives, without regard to whether they are listed herein, to verify, receive, exchange, and obtain business and/or personal credit and other information including, without limitation criminal background checks, as part of this application. The undersigned further agree that neither FDC nor anyone who has furnished FDC any information concerning Franchisee or the undersigned owners and/or principals of Franchisee shall be responsible for any losses or damages of Franchisee or the undersigned owners or principals of Franchisee shall be responsible for any losses or damages of Franchisee or the undersigned owners or principals of Franchisee shall be responsible for any losses or damages of Franchisee or the undersigned owners or principals of Franchisee shall be responsible for any losses or damages of Franchisee or the undersigned owners or principals of personal information. Under penalty of perjury, the undersigned certify that: (i) the federal taxpayer identification number shown on this application as Franchisee's Federal Tax ID Number is the correct taxpayer identification number of Franchisee is waiting for a number to be issued to Franchisee. and (ii) Franchisee is not subject to backup withholding because either Franchisee is exempt from backup withholding, or Franchisee has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding.

#### Owner/Partner/Officer Information:

Authorized Signature:	Date:
Print Name	Date of Birth:
Home Street Address:	Percentage of Ownership:
Home Phone Number:	Social Security Number:

## PREPAID IMPLEMENTATION AND BOARDING FORM-REOUIRED VERSION DO

FRANCH	ISEE / SHI	Р ТО:	TAX REPO	RTING R	EQUIREMENTS:	
Franchise Owner						
Name:			Business Tax ID:			
Franchise Phone #:			What Type? (SSN, EIN)			
Store Phone #:			GIFT Consortium:	Check	one: 🗆 US 8448 🛛 Canada 8454	
			GIFT MID (if already			
Company DBA Name:			accepting GC today):			
			GIFT Alt MID:			
Store Location #:			(Dairy Queen 5 digit Store #)			
Oliver Autobergen			Channel: (First Data, Wells Fargo)	First D	ata	
Store Address:				THOLE	uru -	
City, State or Province:			1099k Address 1			
Zip or Postal Code:			1099k Address 2	<u> </u>		
Country:			1099k City/State/Zip/Country			
			Payee Type (Check one):			
			D = Main Chain Account		a linked or not to a Chain	
Franchise Owner			U = Independently Owned			
Email address:			E = Not included in IRS Re	eporting;	i.e Corporate locations	
Ohaali Onai	n n	AORE INFORMATION	If you are setting up a new ac	QUEST	a new business a Cift Card	
Check One:	victing bunir	acception location	Merchant ID will be assigned	or you	a new business, a Girt Card	
Do you currently own ar	nother	less adding location.	Merchant ID win be ussigned i	or you.		
store that is operating a			Current Locations Gift Card	Current Locations Gift Card		
giftcard program?	Du	□ YES □ NO	Merchant ID Number:			
			Who is your Credit/ Debit Proc	essor:		
Gift Card Processor:		First Data	(Ex. Citi/First Data, BAMS, etc	;)		
Is this a change of owne	ership?		Existing Credit Merchant ID#: If Applicable			
Ship Method for Gift Ca	rds inventor			Overnig	ht	
BANKIN	G INFORM	ATION:				
Bank Name:						
Bank Account Name:						
Bank Account Number:						
Bank Routing Number:						
AUTHOR	RIZATION:			Abie feum		
Your sig	nature on t	nis form confirms th	at all information submitted on	uns torn	TIS AUGULATE	
Owner Signature:						
Date						
Comments:			1 4 wood bedre was		Disease wint and airm*	
*All Fields on this	s form a	re required in o	rder to complete your re	quest	. Please print and sign	
			liment forms to: 1-402-916-89	46		
First Da	ta Use Only				and the second	
New Gift MID:						
FD Net User ID:			and the second second		and the second of the second	
FD Net Temp Password	d:					

## EXHIBIT F

Design Services Agreement



## AMERICAN DAIRY QUEEN CORPORATION DESIGN SERVICES AGREEMENT

LICENSEE:				
ADDRESS:		DATE:		
CITY/STATE:		_	STORE #:	
PHONE:	(C)	 (H)		

For a base fee of **\$3,000.00** (which is included in the initial new store fee for NRD/ARD licensees that have signed a new operating agreement and paid the full initial new store franchise fee), American Dairy Queen Corporation ("ADQ") shall provide for use by Licensee <u>FREESTANDING NEW</u> <u>RESTAURANT/PROTOTYPICAL DESIGN INTENT PLANS</u> in the form of electronically transferred plan files ("Plans"), which are to be used by the Licensee's consultants to prepare construction documents for bidding and construction use for a DQ Grill & Chill® restaurant or DQ® Treat store located at the following Authorized Location:

STREET:

CITY/STATE:

<u>IMPORTANT</u>: All Plans are and shall remain the property of ADQ. Plans are issued for use at the above address only. Any reproduction, use, or disclosure thereof to unauthorized persons or for any location other than that listed above is prohibited without the written consent of ADQ and subsequent purchase of plans for the proposed new location. Licensee (or its assigns) agrees to pay ADQ \$10,000.00 for each unauthorized use of the Plans.

Licensee must include the following language in any agreement with any contractor, architect, or other individuals doing work on the above-indicated store:

"The Prototypical Design Intent Plans" provided are the property of ADQ. Use of the plans and specifications is limited to the restaurant/store for which work is being contracted. The undersigned and its assigns agree to pay ADQ \$10,000.00 for each reproduction, use or disclosure thereof to unauthorized persons."

A. Development Type	B. Building Type (check all applicable)		
□ NRD	GC Core 34 (Food)	Breakfast (Food)	
ARD	GC Core 46 (Food)	Mirror	
□ Relocation	GC Core 60 (Food)	Texas (Food)	
Replacement	DQ/OJ Core 36 (Treat)		
🗌 Development Right			
Territory Operator			

1. BUILDING DATA

C. Send electronic HUB File download information to:

E-Mail Address:

## 2. CODE COMPLIANCE

- A. All Plans provided by ADQ are subject to final review and approval by the developer and/or landlord as well as the local building officials for Licensee's restaurant/store location.
- B. The Plans provided by ADQ are per Minnesota code and may not comply with specific state and local requirements throughout the country. IT IS THE LICENSEE'S RESPONSIBILITY TO VERIFY THE COMPLIANCE OF THESE PLANS WITH LOCAL, STATE AND FEDERAL LAWS AND BUILDING CODE REQUIREMENTS AND TO REVISE THE PLANS ACCORDINGLY. THE COST TO REVISE SUCH PLANS IS TO BE BORNE BY THE LICENSEE.
- C. Under the Americans with Disabilities Act ("Act"), certain handicap accessibility requirements are placed on any "person" who owns, leases, leases to, or operates a place of public accommodation. As an owner, lessor, or operator of a restaurant, ADQ Licensees are liable for failures to accommodate disabled people as provided for in the Act. While ADQ employs its best efforts to see that all plans prepared by it comply with the ADA Accessibility Guidelines, it is not an insurer of and does not guarantee compliance, and cannot be responsible for failures by Licensees, their architects, or their contractors to construct buildings that comply with the ACt. Consequently, you are advised to seek your own legal counsel in regard to ADA Accessibility Compliance and to ensure that the contractors with whom you work are aware, knowledgeable about, and committed to producing buildings in compliance with the Act.
- 3. The purpose of the Plans is to establish the design and construction standards for the prototype building. These Plans identify the brand image, design components and DQ® standards required and include:
  - A. Site design/Photometrics
  - B. Equipment layout and specifications
  - C. Exterior and interior building finishes
  - D. Exterior and interior details
  - E. Exterior Signage
  - F. Structural drawings to be utilized for establishing structural component sizes and spans.
  - G. Mechanical design
  - H. Electrical design
  - I. Plumbing design
- 4. It is the responsibility of the Licensee and its licensed professionals to determine the most appropriate building structural system for the selected site. The Plans specify wood construction, however, an alternative system may be utilized that does not alter the building image and brand identity.

- 5. OWNERSHIP AND MODIFICATIONS TO THE PLANS--If the Plans are modified by anyone other than ADQ, Licensee shall submit a copy of the modified plans to ADQ for review and written approval. Construction of a modified building shall not commence without plan approval from ADQ. ADQ must approve in writing any proposed alteration to previously approved building plans, including those ADQ or designee prepares. Further, if your local architect makes revisions to ADQ Plans, these revisions shall become the property of ADQ, and ADQ has the right to use those plans in any manner in the future.
- 6. EXPIRATION OF PLANS-- Plans provided by ADQ are valid for six months from the date of issuance. After the six-month time period, Plans will no longer be valid unless Licensee has obtained a written extension from ADQ.
- 7. ACKNOWLEDGMENT OF LICENSEE'S CONSTRUCTION RESPONSIBILITIES--See attached Exhibit "A."
- 8. TO PROCEED, you must first sign this agreement and the attached Non-Disclosure Letter, and send them to:

AMERICAN DAIRY QUEEN CORPORATION Attn: Architecture/Construction Dept. 8000 Tower, Suite 700 8331 Norman Center Drive BLOOMINGTON, MINNESOTA 55437

Unless your store is a new ARD or NRD restaurant for which you paid the full, applicable initial franchisee fee, you must include a check made payable to "American Dairy Queen Corporation" for payment of the base fee of \$3,000.00 indicated above.

- 9. LIABILITY AND INDEMNIFICATION--Licensee waives all claims against ADQ for damages to property or injuries to persons arising out of the design and/or construction of Licensee's building pursuant to this Agreement or in any way relating to the Plans or this Agreement. Licensee must fully protect, indemnify and defend ADQ and its affiliates and hold them harmless from and against any and all claims, demands, damages, and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of, in connection with, or incident to the Plans, the franchised location, this Agreement (regardless of cause or any concurrent or contributing fault or negligence of ADQ) or any breach or failure to comply with this Agreement.
- 10. INSURANCE--Licensee must purchase and maintain at its own expense liability insurance in an amount equal to the greater of (a) \$2,000,000 per occurrence or a higher amount that ADQ may in the future require of similarly situated Licensees, (b) the amount the lessor of the Restaurant premises may require or (c) the amount required under Licensee's operating agreement for the location. The insurance coverage must start no later than the date Licensee begins construction. Licensee must deliver to ADQ a certificate of insurance and additional

insured and other endorsements showing compliance with this section. The insurance coverage must:

- A. Insure Licensee, ADQ, ADQ's affiliates and any other person or entity designated by ADQ by name from liability for any and all such damage and injury;
- B. Be written with a company rated no less than "A" by AM Best Insurance Rating;
- C. Name ADQ and its affiliates as an additional insured; and
- D. Provide that ADQ will be given 30 days' prior written notice of material change in or termination or cancellation of the policy.

ADQ does not represent or warrant that any insurance that Licensee is required to purchase will provide adequate coverage for Licensee. The requirements of insurance specified in this Agreement are for ADQ's protection. Licensee should consult with its own insurance agents, brokers, attorneys and other insurance advisors to determine the level of insurance protection it needs and desires, in addition to the coverage and limits required by ADQ.

- 11. DISCLAIMER--ADQ makes no warranty or representation regarding the Plans or any services or workmanship undertaken pursuant to those Plans. It is essential that Licensee performs its own due diligence to determine whether architects, contractors, and others are qualified and right for the needs of the project. It is Licensee's sole responsibility to ensure that it complies with all applicable federal, state, and local laws, codes and regulations.
- 12. ACKNOWLEDGMENT--The undersigned have read and understood the above-stated description of services to be provided by ADQ and the attached Exhibit A (Acknowledgment of Licensee's Construction Responsibilities). Furthermore, the Licensee understands that the scope of service to be provided for the base fee indicated is specifically limited to that which is described herein.

## LICENSEE

BY:

Date **AMERICAN DAIRY QUEEN CORPORATION**BY:

Date

## EXHIBIT "A"

## ACKNOWLEDGMENT OF LICENSEE'S CONSTRUCTION RESPONSIBILITIES

## GENERAL

- 1. ENVIRONMENTAL SURVEYS/SOILS TESTING--It is the sole responsibility of Licensee to perform all environmental surveys of the property, including soils tests, and ADQ expressly disclaims any responsibility or liability for the environmental surveys. Soils tests shall include recommendations on building footings, foundation, and parking lot construction. It is STRONGLY recommended by ADQ that a qualified expert perform any tests prior to the purchase or lease of any property.
- 2. SITE INFORMATION--If a site feasibility drawing was prepared by ADQ for the location, its intent is to show, on a preliminary basis only, the relationship of the building and parking lot within the site. It is not a construction document but rather a guide for a civil engineer. Licensee should contract with a civil engineer to prepare drawings for the location. These drawings should include, but are not limited to:
  - A. Topography and boundary survey
  - B. Drainage/water retention plan
  - C. Final site and grading plan setting building floor slab elevation
  - D. Utilities connections from the building to sources off site
  - E. Site details (i.e., curb detail, parking lot section, culvert/ drain details, etc.)

## **BIDDING THE PROJECT**

- 1. It is recommended that Licensee secure at least three bids from qualified, licensed contractors for the project. The contractors should submit an A.I.A. document A305-Contractor's Qualification Statement with their bid. This will provide background information on the contractor.
- 2. Items required by the contractors to bid the project include the drawings, specifications, owner supplied civil drawings, and a copy of the soils report.
- 3. It is ADQ's recommendation that Licensee require the bidding contractors to include in their bids to Licensee a performance bond equal in price to that of the proposed contract sum. This requirement should be made known to the bidding contractors at the time of letting the project out for bid.

## SITE WORK

- 1. A provision has been made within the drawings for landscaping. It is recommended that Licensee contract with a local landscape architect to prepare the drawings and incorporate them into the site drawings. This should be a part of the general contractor's price, and Licensee should ensure contractors provide bids for this work.
- 2. Site lighting is indicated on the site feasibility plan. Refer to the plan electrical sheets for exact specifications of light fixtures. Verify local code requirements for specific lighting regulations.
- 3. The trash enclosure matches the aesthetics of the building. Licensee should inform the site engineer so that a detail can be provided within the site documents.
- 4. If Licensee is contemplating an underground sprinkler system in the future, a 4" PVC pipe should be laid underneath the drive aisles adjacent to landscape areas to facilitate waterlines without trenching the new paving.

## **BUILDING PLANS**

- 1. No provision has been made for a floor safe. If one is desired by Licensee, he/she needs to inform the contractors at bid letting.
- 2. The footing and foundation depths on the drawings are illustrative only. Foundation requirements are to be made on a site specific basis and are dependent on local codes, ordinances and soils test results.
- 3. If a washer and dryer will be used in the building, electrical and plumbing connections need to be provided. Licensee should communicate this requirement to contractors prior to bidding.
- 4. The HVAC units on the roof are sized based on design load calculations and an average yearly temperature in the state of Minnesota. Heat loss/heat gain calculations need to be made by a mechanical engineer taking into consideration design load at the store location. The size of the unit may have to be adjusted. The need for a heat loss/gain calculation should be brought to the attention of the bidding contractors.
- 5. If a fireplace for the interior or exterior is to be installed (upon approval by ADQ) all specifications must comply with governing codes and regulations including safety protections from heat.

#### LICENSEE SUPPLIED ITEMS

- 1. There are several building components Licensee is to provide to the general contractor, which Licensee can purchase through N. Wasserstrom & Sons or its designee. Because of long lead time requirements, it is essential that Licensee order these items prior to ground break so as to not impede construction. These items may include:
  - A. Exhaust hoods
  - B. Decor item(s)
  - C. D.T. window
  - D. Walk-in cooler/freezer
  - E. Soft serve machines
  - F. Magnetic loop drive-thru detection system
  - G. Fryers
- 2. If Licensee is to supply any other items related to the construction of the store, these items should be identified prior to requesting bids in order to avoid double bidding. These items may include but are not limited to the following:
  - A. Mood Media (music system)
  - B. Integrated Technology Platform
  - C. Soft Drink System
  - D. Linen Supply (toilet accessories, hand washing supplies)
  - E. Menu Boards
  - F. Signage
  - G. Grease Retrieval

## RECOMMENDED MINIMUM REQUIREMENTS FOR LAND TITLE SURVEYS WITH TOPOGRAPHIC & PUBLIC UTILITY DATA

All surveys must meet the following minimum requirements:

#### Physical Requirements

- 1. Survey shall be prepared at minimum of 1'' = 20'.
- 2. Topography is to be shown on a 25' grid and shall include an area 100' outside of the described property.
- 3. A location vicinity map shall be provided.
- 4. A north arrow shall be shown.
- 5. The street address as it will appear in the records of the local municipality.
- 6. A complete and accurate, metes-and-bounds description to supplement lot, block, and tract number type information, but describes only the land surveyed.
- 7. Property lines with bearings, distances, arc length, chord, angle and radii, corner monuments identified; show P.O.B. of description and true P.O.B.; locate all easements of record and common usage. Note if calls are of record and/or as measured.
- 8. The area of the tract shall be shown in either square footage or acreage to the nearest one thousandth of an acre.
- 9. All existing trees, adjacent roadways, utility locations, power poles, building lines and easements recorded or apparent unrecorded are to be shown.
- 10. All existing improvements on or within 50' of the described property are to be shown and identified as to type and general condition.
- 11. Flow line elevations at sanitary and storm sewers are to be shown.
- 12. The condition of existing sidewalks, curb, gutters and adjacent streets shall be indicated.
- 13. <u>Utilities</u>--Locate all public and private utility lines adjoining or that will serve the property. Show size, type, manhole invert and rim elevation, direction of flow, utility pole identification numbers, valves, fire hydrants, traffic signal and street light poles, catch basins, drainage structures, etc. Include sanitary and storm sewers, natural gas, electrical, water, and telephone numbers.

- 14. <u>Street</u>--Right-of-way lines and proposed future dedications. Public roadways or right-ofways adjacent to the surveyed property. Street median or other left turn barriers. Note ownership, jurisdiction, name and identification number of streets and highways.
- 15. <u>Off-Site Improvements</u>--Provide design standards for curb cuts, driveway approaches, new curb and gutters, sidewalks, curb and gutter elevations.
- 16. Show all monuments, stakes, or marks found or placed and note which were found and which were placed. Interior parcel lines must clearly indicate contiguity, gores and/or overlaps.
- 17. Show the locations, dimensions and type of all buildings on the surveyed property. Show their location by the shortest dimension of the exterior boundaries and their relationship to any known setback lines.
- 18. As a result of having viewed the property with reasonable diligence, show any physical evidence of possible easements such as roads, rights-of-way, railroads, drains, telephone, television cable service, telegraph or electric lines, water, sewer, oil or gas pipelines, driveways, billboards, etc. if they are on or run across the surveyed property and appear to serve the public or adjoining property owners. If there are any surface indications of underground easements such as manholes, pipeline markers, sewer or drain outlets, disturbed earth, etc. on (or near, if pertinent) the surveyed property, show them.
- 19. Show the existence of any lakes, ditches, streams, drainage basins or rivers running through or bordering on the premises being surveyed.
- 20. All field measurements must be balanced both as to angles and distances so as to provide a mathematical closure. Show the basis of bearings, assumed or otherwise. The plat of survey shall show the following information for any curve: length of arc, radius, central angle and bearing to the radius point from the beginning and end points of the curve.
- 21. Each survey shall be dated as to month, day and year on which property was surveyed.
- 22. Each survey shall be signed and sealed by the registered surveyor by whom, or under whose direction, such survey was made.

## <u>EXHIBIT G</u>

Construction Consultation Services Agreement



# **American Dairy Queen Corporation**

Licensee:		Date:	
Address:			
City/State/Zip:			Store #:
Phone:	ARD N	NRD 🗌 DR	Replace/Relocate Remodel
American Dairy Queen Corporation ("Licensee" or "you") for the Auth		•	ruction consultation services to Licensee w:
Concept:			
Address:			

City/State/Zip:
-----------------

1. Scope of Construction Consultation Services: The activities described in Exhibit "A" attached.

2. Cost of Services: The cost of the construction coordination services will vary depending primarily upon: (1) whether your project involves construction of a new restaurant or the relocation/replacement of an existing restaurant; and (2) whether your new restaurant is in a freestanding building or a leased multi-tenant structure such as an enclosed mall, open air shopping center, strip center, C-Store or non-traditional site.

**New Units:** If you are constructing a new (NRD/ARD) freestanding restaurant, the cost of the service is \$7,500. If your new restaurant is located in a multi-tenant structure (such as an enclosed mall, open air shopping center, C-Store, strip center) to which you will only be making tenant improvements, the cost of the services is \$5,000. The full fee must be paid when you sign this Agreement. If you paid a full NRD/ARD initial franchise fee to ADQ, the cost of the service is included in the initial franchise fee. If your project is cancelled, you will receive: (1) a refund of the entire fee if your building plans have not been submitted to ADQ for review; or (2) a refund of the fee less \$1,500 at any time before construction begins; or (3) no refund after construction begins.

**Replacements, Relocations and Remodels:** If you are replacing, relocating or remodeling your existing DQ restaurant facility, the cost of the service will be \$7,500. The full fee must be paid when you sign this Agreement and before any services are rendered. If you are participating in the current Replacement/Relocation incentive program, if any, please refer to program specific payment options available.

**3. To Proceed**: Sign and date this agreement and send to American Dairy Queen Corporation, 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437, Attn: Architecture/Construction Department.

4. Acknowledgment: The undersigned acknowledges that ADQ's obligation under this agreement shall be limited to providing construction consultation services in concert with the project's selected general contractor and architect for the construction of, and installation of equipment, in the restaurant. ADQ is not responsible for the actual construction of the restaurant, installation of equipment therein, delays in construction, construction or architectural errors or omissions, cost overruns, change orders or any consequential costs, expenses, injuries or damages arising out of or relating to any of those events or conditions, or to the actual construction of, or installation of equipment in the restaurant. ADQ will not provide construction consultation services on projects that are not under contract with, and

under the supervision and control of, a general contractor licensed to work in the city and state where the project is located. Furthermore, the Licensee understands that the scope of services to be provided are specifically limited to those that are described in the attached Exhibit "A" and are not intended to provide a "turn-key" service to the Licensee. ADQ is not responsible for ensuring that the restaurant to be constructed complies with building standards or legal requirements, including, but not limited to, architectural, structural, mechanical, electrical, accessibility (including without limitation those under the Americans with Disabilities Act), and other standards.

**5.** Additional Billing: If ADQ's construction consultant must be on site for purposes of consulting longer than specified in Exhibit "A" due to delays or complications beyond the control of ADQ, the Licensee agrees to pay ADQ an additional sum of \$200.00 per day for each day the construction consultant is available on site. Should the construction consultant have to make a return visit, related travel expenses, including, but not limited to, air travel, meals and lodging, will be added to the daily \$200.00 fee.

6. Liability and Indemnification: Licensee waives all claims against ADQ for damages to property or injuries to persons arising out of the design and/or construction of Licensee's building. Licensee must fully protect, indemnify and defend ADQ and its affiliates and hold them harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of, in connection with, or incident to the franchised location, this Agreement (regardless of cause or any concurrent or contributing fault or negligence of ADQ) or any breach or failure to comply with this Agreement.

7. **Insurance**: Licensee must purchase and maintain at its own expense liability insurance in an amount equal to the greater of (a) \$2,000,000 per occurrence or a higher amount that ADQ may in the future require of similarly situated Licensees, (b) the amount the lessor of the Restaurant premises may require or (c) the amount required under Licensee's operating agreement for the location. The insurance coverage must start no later than the date Licensee begins construction. Licensee must deliver to ADQ a certificate of insurance and additional insured and other endorsements showing compliance with this section. The insurance coverage must:

- A. Insure Licensee, ADQ, ADQ's affiliates and any other person or entity designated by ADQ by name from liability for any and all such damage and injury;
- B. Be written with a company rated no less than "A" by AM Best Insurance Rating;
- C. Name ADQ and its affiliates as an additional insured; and
- D. Provide that ADQ will be given 30 days' prior written notice of material change in or termination or cancellation of the policy.

ADQ does not represent or warrant that any insurance that Licensee is required to purchase will provide adequate coverage for Licensee. The requirements of insurance specified in this Agreement are for ADQ's protection. Licensee should consult with its own insurance agents, brokers, attorneys and other insurance advisors to determine the level of insurance protection it needs and desires, in addition to the coverage and limits required by ADQ.

Licensee: \_\_\_\_\_

Dated:

Construction Consultation Services Agreement (Including Exhibit "A") Total of Four Pages

## **Company: AMERICAN DAIRY QUEEN CORPORATION**

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

Dated:

## EXHIBIT A

#### CONSTRUCTION CONSULTATION SERVICES AGREEMENT

#### THE SERVICES PROVIDED ARE AS FOLLOWS:

- 1. Consult with the Licensee in the plan review process and with state and local regulatory agencies relevant to compliance with building, health and fire codes. It is the Licensee's sole responsibility to ensure that the plans conform to all state and local codes. (Construction plans and specifications provided by ADQ are design intent drawings based on Minnesota state codes.) (Site-specific changes will need to be made to the plans by the local architect hired by the Licensee).
- 2. Review availability of utilities (i.e. gas, electricity, sewer and water) to the site/space with the Licensee. Freestanding locations may require, at ADQ's discretion, an on-site visit relative to building location, ingress, egress, sign locations, parking and landscape requirements.
- 3. Review construction bids with the Licensee and consult with the Licensee in selecting a general contractor for the project, considering price, reputation, and ability to perform. The actual selection of the qualified contractor is the Licensee's sole responsibility.
- 4. Assist the Licensee and bidding general contractors in reviewing plans and information gathered in the above-mentioned functions to facilitate the submission of more accurate and competitive bids to the Licensee. ADQ recommends that all contract documents be completed on AIA forms.
- 5. Consult with the Licensee to obtain the required permits from the state and local authorities. It is the Licensee's and/or contractors sole responsibility to obtain permits. It is also the responsibility of the Licensee or contractor to submit the application with proper fee and time allowance to obtain necessary permits on a timely basis. Failure to do so may delay construction.
- 6. A. Scope of Services for freestanding locations:

Review conditions and work progress with the Licensee and contractor to avoid non-compliance with plans, delays or additional costs. Means of review will be by actual on-site inspections conducted by ADQ personnel or a third party retained by ADQ that consist of a pre-construction inspection or an underground inspection at ADQ's discretion based on the project's needs, rough-in inspection and punch list inspection. Review will also include digital photos, phone conversations and e-mail communication with the general contractor, job superintendent, Licensee and field personnel on a regular basis.

B. Scope of Services for tenant improvements in multi-tenant structures:

Review conditions and work progress with the Licensee and general contractor in an effort to avoid non-compliance with plans, delays or additional costs. Means of review will be by actual on-site inspections conducted by ADQ personnel or a third party retained by ADQ that consist of a rough-in inspection and a punch list inspection. Review will also include digital photos, phone conversations and e-mail communication with the general contractor, job superintendent, Licensee and field personnel on a regular basis.

C. Scope of Services for Full Level Remodel Locations:

Review of conditions and work progress with the Licensee and contractor to avoid non-compliance with plans, delays or additional costs. Means of review will be by digital photos, phone conversations and e-mail communication with the general contractor, job superintendent, Licensee and field personnel on a regular basis. Review will also consist of up to three actual on-site inspections that consist of a pre-construction or an underground inspection at ADQ's discretion based on the project's needs, rough-in and punch list inspection conducted by ADQ personnel or a third party retained by ADQ.

7. Consult with the Licensee on handling payments to the general contractor when payment applications are made. Money should be disbursed per the construction contract guidelines. Owner must determine whether lien waivers have been obtained and is responsible for obtaining partial and final lien waivers.

- 8. Consult with the Licensee concerning the process of unloading equipment, initial equipment inspection and acceptance of equipment. The Licensee is solely responsible for determining if items are missing or damaged and for filing any and all claims with the appropriate parties.
- 9. The Licensee is responsible for the unloading, placement, installation and hook up of all approved equipment. This is to be accomplished through the general contractor, subcontractors and laborers. The ADQ construction consultant will consult with the Licensee concerning the supervision of the equipment installation process. The Licensee is solely responsible for requiring that the general contractor, subcontractor and laborers are available, as determined by the construction consultant, at the appropriate times to comply with the installation schedule. Failure to make such arrangements may delay the equipment installation.
- 10. For new locations (but not remodels) certain pieces of equipment require a breaking-in period of several days' running time. The Licensee acknowledges that he/she is solely responsible for the final adjustments to these pieces of equipment and is aware that this may require hiring local trade services. The Licensee is required to employ a qualified technician to make proper adjustments to the soft serve machine(s), shake machine(s), *Mr. Misty* <sup>®</sup> machine, ice machines, display freezers, walk-in cooler/freezers, fryers, chain broilers and other items. Final equipment adjustments should occur once the machines have been operated with actual product.
- 11. Provide a project final punch list of shortcomings and deficiencies in relation to approved construction plans, addenda, change orders, construction contract and workmanship. Consultant will review all punch list items with the Licensee, Operations field force and general contractor prior to leaving the job site. It is the Licensee's responsibility to ensure that the general contractor completes all punch list items prior to final payment.
- 12. Consult with the Licensee in obtaining the final approvals of the necessary agencies for building occupancy. The contractor is responsible for contacting the required agencies to make final inspections for the purpose of obtaining the occupancy permit.
- 13. Consult with the Licensee regarding construction warranty work the contractor may be required to provide. For equipment warranty, the Licensee must work with its equipment vendor.
- 14. Consult with the Licensee at the Licensee's request to verify that the proper documentation is received from the general contractor (i.e. lien releases, inspection reports) prior to project closeout.

#### **GENERAL NOTES:**

- 1. All design changes to the building and equipment must be made prior to ADQ final plan approval, obtaining final bids and signing of the construction contract. Changes made after signing the contract may result in additional costs to Licensee. NO CHANGES ARE TO BE MADE WITHOUT NOTIFYING THE CONSTRUCTION CONSULTANT AND OBTAINING WRITTEN APPROVAL FROM ADQ.
- 2. All locally furnished approved equipment should be made available to the general contractor to keep construction on schedule. No unapproved equipment will be installed.
- 3. Bids can be influenced by local governing regulations and requirements, developers' design criteria, and actual site as built conditions. The general contractor shall include all items in the bid. However, because of timing or unforeseen circumstances, some of these items may be added to the total construction cost via approved change orders and paid by the Licensee.
- 4. ADQ does not assume any responsibility for construction cost overruns or costs associated with opening delays. All construction costs, late fees, rental commencement charges, etc., associated with the project opening are the sole responsibility of the Licensee.

## <u>EXHIBIT H</u>

Sublease

#### Sublease

DQF, Inc., a Minnesota corporation hereinafter called "Sublessor," hereby subleases to hereinafter called "Sublessee," and Sublessee hereby subleases from Sublessor for and in consideration of the rentals, covenants, and conditions herein the premises, hereinafter called the "demised premises" situated at contained, which are more particularly described (variously as the "demised premises," or "leased premises," or "premises," or by some similar term) in that certain as landlord, hereinafter called lease between "Landlord," and Sublessor, as lessee (the "prime lease"), a copy of which prime lease is attached hereto and made a part hereof as Exhibit A, subject, however, to all the provisions of said prime lease to which this sublease is in all and every respect subordinate. This sublease shall be for the sole purpose of Sublessee operating on the demised premises a franchised DQ® store pursuant to that certain DQ® Operating Agreement between Sublessor and Sublessee of even date herewith, hereinafter called "Operating Agreement."

It is further agreed between the parties hereto as follows:

1. <u>Summary of Rent Security Deposits, Term of Sublease, and Lease Administration</u> Fee.

(a) Except as otherwise required by the context, all words used herein shall have the same meaning as used in the prime lease.

- (b) The following provisions apply to this sublease:
  - (1) The annual minimum guaranteed rent referred to in subparagraph 7(a) of this sublease shall be \$\_\_\_\_\_, subject, however, to increase as set forth in subparagraph 7(a) of this sublease. Said annual minimum guaranteed rent shall be payable in equal monthly installments of \$\_\_\_\_\_\_ each.
  - (2) The percentage rent referred to in subparagraph 7(b) of this sublease shall be \_\_\_\_\_ percent of gross sales in excess of \$\_\_\_\_\_.
  - (3) The additional monthly rent for leasehold improvements referred to in subparagraph 7(c) of this sublease shall be \$\_\_\_\_\_, subject, however, to increase or decrease as set forth in subparagraph 7(c) of this sublease.
  - (4) Upon the execution of this sublease, Sublessee shall pay to Sublessor a security deposit of \$\_\_\_\_\_\_ to cover one month's minimum guaranteed rent due under this sublease.

- (5) Upon the execution of this sublease Sublessee shall pay to Sublessor a security deposit of \$\_\_\_\_\_ as required by Landlord under the prime lease.
- (6) Sublessee shall pay all other sums required to be paid by Sublessor as lessee under the prime lease unless specifically excepted herein.
- (7) The term of this sublease shall be a period of \_\_\_\_\_ years and \_\_\_\_\_ months, unless sooner terminated as hereinafter provided. Except as provided in paragraph 8, below, the term of this sublease shall commence on \_\_\_\_\_, 200\_ and expire on \_\_\_\_\_, subject to modification in order to take into account any change to the commencement and expiration dates of the prime lease. Sublessee acknowledges and agrees that Sublessor may modify the commencement and expiration dates of the term of this sublease in accordance with the preceding sentence by means of Exhibit B attached hereto.
- (8) All notices given under this sublease shall be in writing and sent by certified mail, return receipt requested, addressed, unless otherwise directed in writing, as follows:

To Sublessor

To Sublessee

DQF, Inc.	
7505 Metro Boulevard	
Minneapolis, MN 55439	
Attention: Vice President-Law	

(c) This sublease shall in all respects constitute a net lease and, except as otherwise expressly provided in this sublease, the annual minimum guaranteed rent, percentage rent, and all additional rent and other charges shall be absolutely net to Sublessor and Sublessor shall be under no obligation or liability to pay for any cost or expense respecting the demised premises, its use, or condition, whether foreseen or unforeseen, and whether ordinary or extraordinary, including, but not limited to, any cost or expense for any repairs, maintenance, real estate taxes, personal property taxes, use taxes or any other taxes, special assessments, utilities, insurance or for any other expenses which are in any manner incurred with respect to the demised premises or the business conducted thereon, all of which shall be the sole obligation and liability of the Sublessee.

(d) Lease Administration Fee. Sublessee shall pay to Sublessor in equal monthly installments a lease administration fee in an annual amount computed on the annual minimum guaranteed rent as follows:

Minimum Annual Guaranteed Rent	Lease Administration Fee
	\$1,800 ner mail in 12 installments of \$150 ner
\$0 - 24,000	\$1,800 per year paid in 12 installments of \$150 per month
\$24,001 - \$50,000	7.5% of the minimum annual guaranteed rent per year paid in 12 equal monthly installments
	year paid in 12 equal montiny instanments
\$50,001 +	\$3,750 per year paid in 12 installments of \$312.50
	per month

If under any provision of this sublease, the minimum guaranteed rent payable to sublessor during the term of this sublease is increased, then the amount payable pursuant to this subparagraph will automatically increase in accordance with the table above in this subparagraph. If the term of this sublease commences on a day other than the first day of the calendar month, or if the term of this sublease terminates on a day other than the last day of the calendar month, the payment due hereunder for said partial month shall be prorated on a daily basis based upon a 30 day calendar month. Sublessee's failure to pay to Sublessor amounts due pursuant to this subparagraph constitute a default of this sublease, as well as the Operating Agreement, and give rise to the remedies set forth in this sublease and the Operating Agreement. The lease administration fee is intended to compensate Sublessor and its affiliates for expenses incurred in lease negotiation, lease accounting, and other lease-related services rendered by Sublessor and its affiliates.

Lease.

## 2. <u>Sublessee to Perform Prime Lease; Insurance; Notices of Default under Prime</u>

Except in the respects set out below in paragraph 5, Sublessee shall (a) promptly pay and perform all and every undertaking required to be paid or performed by Sublessor as lessee under the prime lease or otherwise during the term of this sublease, including, but not limited to, the payment of all common area charges, insurance charges, real estate taxes and special assessments, HVAC charges, personal property taxes, use taxes, utility charges, water and sewer charges, security charges, trash removal charges, mall charges, "Grand-Opening" charges, promotional, marketing, advertising, and tenant's or merchant's association charges, and food court charges, if any (irrespective of whether the Landlord delays or fails to enforce prompt compliance with all prime lease requirements). Sublessee's obligation to pay and perform each and every undertaking required by said prime lease to be performed by Sublessor as lessee thereunder shall be deemed to be due when said payment or performance is due the Landlord or other party under the prime lease. Sublessee will defend and save Sublessor harmless from any and all liability on account of Sublessee's failure to pay and perform each and every undertaking to be performed by Sublessor either as required by the prime lease or by other agreement, whether written or oral, relating to the occupancy or use of the demised premises or the operation of Sublessee's business. Sublessee covenants that it will do nothing, nor fail to do anything, which if done, or omitted to be done, by Sublessor would constitute a breach of any term, covenant, or obligation imposed upon Sublessor as lessee under the prime lease or pursuant to other agreements to which Sublessor is a party,

including agreements pertaining to the construction, maintenance, or use of the demised premises or the operation of the Sublessee's business.

(b) Sublessee shall be responsible for and pay before delinquency all taxes assessed during the term of this sublease against any leasehold improvements and against personal property or fixtures of any kind placed in, upon or about the demised premises regardless of ownership of said leasehold improvements, personal property, or fixtures. Sublessee shall also pay, before any fine, penalty, interest or costs may be added for payment, any tax or charge (other than income taxes) levied, assessed or imposed during the term of this sublease on account of or based upon the business use or occupancy of the demised premises or equipment located thereon on account of, or based upon, the rents or other amounts received by Sublessor under this sublease.

(c) Sublessee, at its sole cost and expense, shall comply with (i) all applicable governmental laws, rules, orders, regulations, and ordinances affecting the demised premises or any part thereof, or any alteration or leasehold improvements thereto, or the use thereof including, but not limited to, the making of any unforeseen or extraordinary changes to the demised premises whether or not any such laws, rules, ordinances, or regulations which may be hereafter enacted involve a change of policy on the part of the governmental body enacting the same; and (ii) all rules, ordinances, and regulations of the National Board of Fire Underwriters or Landlord's fire insurance rating organization or any other body exercising similar functions in connection with the prevention of fire or the correction of hazardous conditions which apply to the demised premises, or its use, provided, however, nothing in this subparagraph 2(c) shall be deemed to constitute the assumption by Sublessee of any duty, cost, or expense which is imposed upon Landlord under the prime lease or under applicable law.

(d) Sublessee hereby authorizes Sublessor or any subsidiary corporation of Sublessor to initiate ACH debit entries against the account of Sublessee in payment of amounts which become payable to Sublessor pursuant to this Sublease including, without limitation, rent and additional rent. Sublessee agrees to execute all authorizations necessary to implement such payment option promptly upon the request of Sublessor.

(e) Sublessee, at Sublessee's sole cost and expense, shall purchase and maintain all policies of insurance, including, but not limited to, policies of public liability insurance, which Sublessor is required to maintain as lessee under the prime lease. In addition to the Landlord and other parties required to be so designated under the provisions of the prime lease, said policies shall designate Sublessee and Sublessor as insureds thereunder and Sublessee shall furnish to Sublessor and to Landlord such evidence of said insurance coverage as Sublessor or Landlord may require. Sublessor may elect, by written notice given to Sublessee, to purchase and maintain said insurance, in which case the costs thereof advanced by Sublessor shall be paid by Sublessee, upon demand, as additional rent, under this sublease.

(f) To the extent not required under the prime lease to be covered by any policy of fire and extended coverage insurance which Landlord is required to maintain,

Sublessee, at Sublessee's sole cost and expense, shall also purchase and maintain standard fire and extended coverage insurance on all of Sublessor's leasehold improvements, fixtures, and equipment located in, on, or about the demised premises. Said insurance coverage shall be in the amount of the full insurable value thereof and shall provide that losses shall be payable to Sublessor.

(g) Sublessee, at its sole cost and expense, shall purchase and maintain insurance coverage, in reasonable amounts, covering Sublessee's leasehold improvements, if any, and any of Sublessee's equipment and other personal property located on or about the demised premises. Said policy of insurance shall provide for the insurer's rights of subrogation against Sublessor and Landlord to be waived in the event of any loss. In addition, Sublessee hereby waives, for itself and for its insurer, all claims against Sublessor and Landlord arising out of any damage or destruction to Sublessee's leasehold improvements, equipment, and other personal property located on or about the demised premises.

(h) If Sublessee fails to perform any obligation assumed by it under subparagraphs 2(a) through 2(g) above within the time required for such performance, Sublessor may perform said obligation. All of Sublessor's expense and cost of said performance including its attorneys' fees, shall be additional rent due from Sublessee to Sublessor under this sublease, together with interest at the rate of 18% per annum or, if such rate would be usurious or otherwise unenforceable under applicable law, then at such lower rate of interest which is the highest permitted by applicable laws. Sublessor shall have no duty to Sublessee to perform any said obligation and its right to so perform shall not be the exclusive remedy for Sublessee's default.

(i) Sublessee shall be bound by all notices and demands including but not limited to, notices of default, received by Sublessor from Landlord to the same extent that Sublessor is bound by such notices and demands. Wherever the prime lease requires Sublessor, as lessee thereunder, to perform, within a certain time after notice from Landlord, any defaulted obligation or act under the prime lease, the time for performance by Sublessee of said defaulted obligation or act shall, under this sublease, be three (3) days prior to the date for performance of said obligation or act as set forth in said notice from Landlord. The mailing to Sublessee, by certified mail, return receipt requested, of a copy of any said notice or demand received by Sublessor from Landlord within five days after Sublessor's receipt of the same shall constitute, in every case, a reasonable notice to Sublessee, however, nothing contained herein shall be construed to mean that the sending of a notice to Sublessee more than five days after Sublessor's receipt of said notice shall render the same deficient or ineffective for any purpose hereunder.

3. <u>Enforcement of Prime Lease</u>. Sublessee, at its sole cost and expense, may, with the prior written consent of Sublessor, which shall not be unreasonably withheld, (or at Sublessor's written request, shall), in the name of Sublessor, enforce all provisions of the prime lease against the Landlord and do all things required to be done by the provisions of the prime lease as a condition for said enforcement. In any and all events, however, Sublessor shall not be

liable to Sublessee for any performance, non-performance, default, or delinquency of Landlord under the prime lease.

4. <u>Default by Sublessee</u>. If Sublessee shall fail to pay any monthly installment of annual minimum guaranteed rent, percentage rent, or additional monthly rent promptly on the day when the same shall become due and payable hereunder, and shall continue in default for a period of ten (10) days after written notice thereof by Sublessor, or if Sublessee shall fail to promptly and strictly comply with any of the other terms, covenants, conditions, or provisions of this sublease, or of the Operating Agreement which is referred to above, within, in either event, fifteen (15) days after written notice thereof by Sublessor, or if Sublessee shall file in any court a petition in bankruptcy or insolvency, or if an involuntary petition therefor is filed against Sublessee, and any said petition shall not be vacated or withdrawn within thirty (30) days after the date of filing thereof then, in any such event, time being of the essence hereof Sublessor may, at its sole election, and in addition to any and all other remedies provided by law, or contained in this sublease:

(a) Declare this sublease terminated and enter into or upon the demised premises and repossess the same as of Sublessor's former estate and expel Sublessee and those claiming through or under Sublessee, and remove their effects (forcibly if necessary) and store the same for the account and at the expense and risk of Sublessee without being deemed guilty of any manner of trespass and without prejudice to any remedies which might otherwise be used for any arrears of rent or preceding breach of covenant, and without such reentry working a forfeiture of the rents and other obligations of Sublessee to become due hereunder; and Sublessee agrees to indemnify Sublessor against all loss of annual minimum guaranteed rent, additional rent, and other payments and other damages, including, but not limited to Sublessor's attorneys' fees, if any, which Sublessor may incur by reason of such default or by reason of the termination of the term demised herein.

From time to time without terminating this Sublease, enter into or upon (b) the demised premises and repossess the same, make such alterations and repairs as may be necessary in order to relet the demised premises, and, without any obligation to do so, may relet said demised premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Sublease) and at such rental or rentals and upon such other terms and conditions as Sublessor in its sole discretion may deem advisable; upon each such reletting all rentals received by the Sublessor from such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from Sublessee to Sublessor; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorneys' fees and costs of said alterations and repairs; third, to the payment of annual minimum guaranteed rent, percentage rent, and additional rent due and unpaid hereunder, and the residue, if any, shall be held by Sublessor and applied in payment of future annual minimum guaranteed rent, percentage rent, and additional rent as the same may become due and payable hereunder. If said rentals received from such reletting during any month are less than that which was to be paid during that month by Sublessee hereunder, Sublessee shall pay any such deficiency to Sublessor. Such deficiency shall be calculated and paid monthly. No such reentry or taking possession of said demised premises by Sublessor shall be construed as an election on Sublessor's part to terminate this Sublease unless a written notice of said intention be given to Sublessee or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any said reletting without initially terminating this Sublease, Sublessor may at any time thereafter elect to terminate this Sublease.

Should Sublessor at any time terminate this Sublease for any breach, in (c)addition to any other remedies it may have, it may recover from Sublessee all damage it may incur by reason of said breach, including, but not limited to, the cost of recovering the demised premises, Sublessor's attorneys' fees, and the aggregate of the minimum guaranteed rent, percentage rent, additional rent, and other charges reserved under this Sublease for the period which otherwise would have constituted the balance of the term of this Sublease absent said termination for said default which aggregate amount shall be deemed to be accelerated and be immediately due and payable in a lump sum to Sublessor. If applicable law requires that said accelerated sum be discounted to present value, the same shall be discounted at 4% per annum. In determining the rent which would be payable by Sublessee hereunder, subsequent to default, the annual rent for each year of the period which otherwise would have constituted the balance of the term of this Sublease shall be equal to the average aggregate of annual minimum guaranteed rent. average percentage, and average additional rent paid by Sublessee from the commencement of the term to the time of default or during the preceding three (3) full calendar years, whichever period is shorter.

(d) Sublessor shall have the right, in the event of any default, to accept payment of any minimum guaranteed rent, any percentage rent, any additional rent, or any other amount owing to Sublessor without said acceptance constituting a waiver of any default which remains unsatisfied upon the acceptance of said payment. In addition, Sublessor shall have the right, in the event of any default, without waiving any said default or any other remedy therefor, to apply all, or any part of any security deposit made by Sublessee to Sublessor under this sublease to any payment obligation of Sublessee which is then in default. In addition, Sublessor shall have the right, in the event of any default, and in addition to any other remedies provided for in this sublease, to enforce the security interest and contractual lien which is provided for in paragraph 27 below of this sublease and to apply any proceeds realized therefrom to any payment obligation of Sublessee which is then in default.

5. <u>Sublessor's Obligations under Prime Lease</u>. Notwithstanding any other provisions herein, Sublessee shall have no obligation to perform the following covenants required of Sublessor as lessee under the prime lease:

(a) To pay to Landlord the annual minimum guaranteed rent or percentage rent required by the terms of the prime lease.

(b) To commence or complete the construction of any initial leasehold improvements to the demised premises which are required to be constructed by Sublessor as lessee under the prime lease.

6. <u>Assignment and Subletting</u>. Sublessee shall not assign, or in any manner transfer, this sublease, nor any interest therein, nor shall Sublessee sublet the demised premises, nor any part thereof, nor permit occupancy of the demised premises by anyone, without the prior written consent of Sublessor, which consent may be subject to such conditions as Sublessor may impose including, but not limited to, the payment in full of any outstanding amounts owing to Sublessor by Sublessee for leasehold improvements, whether or not then due and payable. Consent by Sublessor to one or more assignments of the sublease, or to one or more sublettings of the demised premises, shall not operate as a waiver of Sublessor's rights under this paragraph with respect to any further assignments or sublettings, nor shall any assignment of this sublease release Sublessee from any of Sublessee's obligations under this sublease.

7. <u>Sublessee's Covenants to Pay</u>. Sublessee agrees to pay Sublessor (or as otherwise directed herein) as rent, without demand, for the demised premises, without any setoff or reduction as follows:

(a) An annual minimum guaranteed rent as set forth in subparagraph 1(b)(1) above, payable, in advance, on the first day of each and every month during the term of this sublease, in equal monthly installments as set forth in subparagraph 1(b)(1) above. If under any provision of the prime lease the minimum or guaranteed rent payable by Sublessor to Landlord during the term hereof is increased, then the annual minimum guaranteed rent provided for in subparagraph 1(b)(1) above shall automatically be concurrently increased by an amount equal to 110 percent of said increase and the monthly installments thereof shall be increased accordingly. If the term of this sublease commences on a day other than the first day of a calendar month, or if the annual minimum guaranteed rent for said partial month shall be prorated on a daily basis based upon a 30-day calendar month.

Percentage rent for each full calendar month included in the sublease term (b)equal to the amount, if any, by which the percentage set forth in subparagraph 1(b)(2)above of Sublessee's gross sales (as defined in the prime lease) for such month exceeds the amount of gross sales (prorated on a monthly basis), if any, which, under the prime lease, is excluded, or would be excluded if prorated on a monthly basis, for the corresponding period from the calculation of percentage rent (that is, if, under the prime lease, percentage rent is payable only with respect to gross sales in excess of a certain amount, then the percentage rent payable under this sublease shall only be payable each month with respect to gross sales in excess of a monthly equivalent of said amount). Said percentage rent shall be payable on the 19th day of the month following the calendar month for which it accrues. For any period during the term of this sublease prior to the first full calendar month of the term of this sublease, and for any period during the term of this sublease subsequent to the last full calendar month of the term of this sublease, Sublessee shall pay, for percentage rent, within ten days of the last day of any said period, an amount by which the aforementioned percentage of Sublessee's gross sales during said period exceeds a proportionate amount of any sum which may be deducted from the amount paid as percentage rent for the corresponding period under the

provisions of the prime lease. Sublessee shall, together with each payment of percentage rent, deliver to Sublessor a statement, certified to by Sublessee, showing the gross sales made by Sublessee at the demised premises during the preceding rental period or such other statement as Sublessor may require. Within ten days after the close of the applicable accounting period (which accounting period shall be that period for which Landlord makes settlement or adjustment generally on an annual basis, of percentage rent payable under the prime lease), an accounting for such period shall be had and a settlement made between Sublessee and Sublessor with respect to the percentage rent payable for said accounting period and Sublessee shall deliver to Sublessor a statement sworn to by its accountant showing such gross sales during said accounting period or such other statement as Sublessor may be required to provide to Landlord in order to make Sublessor's accounting and settlement with Landlord for the same period.

If Sublessee fails to deliver any said statement to Sublessor within the period specified, Sublessor may employ a Certified Public Accountant to audit such books and records of Sublessee as may be necessary to certify the amount of Sublessee's gross sales and Sublessee will promptly pay to Sublessor the cost of said audit.

For the purpose of permitting verifications of any amounts due, Sublessee will keep, at the demised premises, for a period of three years after the end of the annual period with respect to which percentage rent is calculated, books and records which shall disclose all information required to be kept by Sublessor as lessee under the prime lease to determine gross sales. Sublessor's designee, as well as Landlord's designee, shall have the right to make any examination or audit thereof which Sublessor may desire. If an audit shall disclose a liability for percentage rent in excess of the percentage rent paid by Sublessee, Sublessee shall promptly pay to Sublessor the deficiency in rent, together with the cost of said audit and any other penalty or fee required under the prime lease.

Upon Sublessor's written request, Sublessee shall pay and report the percentage rent directly to Landlord (in which event, Sublessee shall, concurrently, nevertheless, provide Sublessor with a copy of any said report provided to Landlord).

(c) Additional monthly rent for the leasehold improvements as set forth in subparagraph 1(b)(3) above, payable, in advance, on the first day of each and every month during the first five years of the term of this sublease. Said additional monthly rent is based upon the estimated cost to Sublessor of making certain leasehold improvements to the demised premises. Currently, Sublessor estimates said costs to be \$ . In the event that Sublessor, either prior or subsequent to the commencement of the term of this sublease, determines that the actual costs of said leasehold improvements will exceed said estimated sum, Sublessor, by written notice to Sublessee given prior to said commencement, shall have the right to increase the amount of each installment of monthly additional rent by an amount equal to 1.67% of the amount by which the said actual cost exceed the said estimated costs, provided, however, if said actual costs exceed , and Sublessor elects to increase the amount of each said monthly \$ installment as provided above, Sublessee, by written notice given to Sublessor within 15 days after receipt of Sublessor's notice of said increase shall have the right to terminate

this sublease, unless Sublessor within five days after receipt of any said notice from Sublessee, withdraws, by written notice to Sublessee, said increase of said monthly installments. In the event that the actual costs of said leasehold improvements are less than said estimated costs, Sublessor, by written notice to Sublessee, shall decrease the amount of each installment of monthly additional rent by an amount equal to 1.67% of the amount by which the said estimated costs exceed the actual costs. Subject to the certain termination rights of the Sublessee as defined above with respect to an increase in monthly installments. Sublessor's written notice to Sublessee shall be attached hereto as Exhibit C and serve as a final statement for additional monthly rent as described herein. If the term of this sublease commences on a day other than the first day of a calendar month, or if the term of this sublease ends on a day other than the last day of a calendar month, said additional monthly rent for said partial month shall be prorated on a daily basis based upon a 30-day calendar month.

In lieu of paying additional monthly rent for the leasehold improvements as set forth above in this subparagraph 7(c) and in subparagraph 1(b)(3) above, Sublessor may require (or if not required by Sublessor, Sublessee may elect) to pay to Sublessor, at the time Sublessee executes this sublease, a lump sum in the amount of \$\_\_\_\_\_\_ to cover estimated costs for the leasehold improvements. In the event that the actual costs of the leasehold improvements exceed the sum stated in the preceding sentence, Sublessor shall notify Sublessee by written notice and Sublessee shall pay to Sublessor an amount that the actual costs of the leasehold improvements are less than said estimated costs, Sublessor shall pay to Sublessee an amount that equals the difference between the actual costs are less than said estimated costs, Sublessor shall pay to Sublessee an amount that equals the difference between the actual costs.

Notwithstanding the foregoing alternatives in this subparagraph (c), at Sublessor's sole discretion, Sublessor may consent to Sublessee constructing the leasehold improvements at the premises. In the event that Sublessor gives its consent, Sublessee shall comply with the following requirements: (i) Sublessee shall construct the leasehold improvements in accordance with all applicable terms and conditions of this sublease, the prime lease, Operating Agreement, and all applicable governmental laws, rules, orders, regulations, and ordinances affecting the demised premises; (ii) Sublessee shall obtain a Letter of Credit in a form acceptable to Sublessor, which Letter of Credit shall name Sublessor as beneficiary in an amount estimated by Sublessor to adequately cover the cost of the leasehold improvements; and (iii) prior to commencement of any work that could constitute the basis for a mechanic's lien on the premises and before any building materials have been delivered to the premises, Sublessee shall furnish Sublessor with a bond by a responsible surety company licensed to do business in the state in which the premises are located, in a form satisfactory to Sublessor and the Landlord. Said bond shall be for an amount equal to the estimated cost of the work to be done with respect to the leasehold improvements and shall remain in effect until the cost of the entire work shall have been fully paid. The bond shall secure completion by Sublessee, or on Sublessee's default, by the surety, of all work free from all liens of contractors, subcontractors, material men, laborers, or others and should defend and indemnify the Sublessor and the Landlord against any loss, cost, damage or liability in any manner

arising out of or connected with the said work. With respect to the leasehold improvements for the premises, in addition to all other requirements of this sublease, Sublessee agrees as follows: (i) Sublessee covenants and agrees on behalf of itself and its contractors to comply with subparagraph 2(c) above and to hold Sublessor and the Landlord harmless from any liability arising from its failure to do so; (ii) Sublessee shall pay all contractors and material men's bills and charges promptly when due and shall keep the premises (and Sublessee's and Sublessor's leasehold interest therein) free of all mechanic's or other liens by reason of any work, labor or materials done on or in, or supplied to, the premises at Sublessee's request or at the request of any of the Sublessee's agents or employees; and (iii) Sublessee agrees to and shall indemnify and save Sublessor and the Landlord harmless from any and all liability for damages resulting from any mechanic's or other liens or from any and all liability or claims of any kind resulting from Sublessee's breach, default, or failure to perform any of the terms and conditions contained in this subparagraph, including reasonable attorneys' fees and expenses. In the event that Sublessee fails to construct the leasehold improvements according to the terms of this paragraph, Sublessor may, in addition to any other remedy contained herein, enter on the premises and perform the work required by this paragraph and all amounts incurred by Sublessor in so doing shall be immediately due and payable by Sublessee.

Sublessee shall be responsible for and pay all taxes assessed during the term of this sublease against any leasehold improvements and against personal property or fixtures of any kind placed in, upon or about the demised premises regardless of ownership of said personal property, leasehold improvements or fixtures. Said taxes shall be paid prior to the time that Sublessor is required to make any corresponding payment to tax authorities or others which may in some circumstances necessitate Sublessee's making prepayment.

If Sublessee fails to pay any monthly installment of annual minimum guaranteed rent, any percentage rent, any additional monthly rent, or any other sum or charges, however characterized, when the same is due under this sublease, said unpaid amount shall bear interest from the due date thereof to the date of payment at the rate of 18% per annum, provided, however, that if said rate exceeds the maximum rate of interest then allowed to be charged to the Sublessee under any applicable law of the state where the demised premises are located, interest shall accrue on said past due amount at such lower rate of interest which is the highest rate permitted by any said applicable law. In addition, if Sublessee fails to pay monthly installment of annual minimum guaranteed rent within 15 days after the same becomes due and payable, Sublessee shall also pay to Sublessor a late payment service charge (covering administrative and overhead expense) of \$100.00 for each calendar month or part thereof after the due date of said payment until received by Sublessor. The provisions herein for a late payment service charge shall not be construed to extend the date for payment of any sums required to be paid by Sublessee hereunder or to relieve Sublessee of its obligations to pay all said sums when due. Notwithstanding the imposition of any said service charge, Sublessee shall be in default under this sublease if any or all payments required to be made by Sublessee are not made when due, and the demand by Sublessor for payment of said service charge shall not be construed as a cure of said default on the part of Sublessee.

8. <u>Term of Sublease</u>. The term of this sublease shall commence upon the earliest of (i) thirty days after Sublessor gives Sublessee written notice that the demised premises are ready for Sublessee's occupancy; (ii) the date upon which Sublessee opens the demised premises for business; (iii) the date, if any, set forth in subparagraph 1(b)(7) above, and (iv) the commencement date set forth in the prime lease. Sublessee, however, shall not open or commence operations of the DQ® store until Sublessor has approved, in writing, the date of opening. Sublessor shall not be liable for damages arising out of the failure of the demised premises to be ready for Sublessee's occupancy or Sublessee's failure to open the DQ® store on a particular date or by the occurrence of any specified event, such as a "Grand Opening." In the event Sublessee takes possession of the demised premises prior to the commencement date of this Sublease, such early possession shall be subject to all of the terms, conditions, obligations, and insurance and indemnification responsibilities of Sublessee contained in this sublease except that the obligations with respect to rent shall commence on the commencement date.

9. <u>No Implied Right to Renew Term of Sublease</u>. Sublessee agrees and acknowledges that, without regard to whether Sublessor exercises any option granted to Sublessor under the prime lease to extend the term thereof, Sublessee has not been granted any rights to extend the term of this sublease and, moreover, Sublessor shall have no obligation to sublease the demised premises to Sublessee during any extended term of the prime lease.

Condition and Repair. At all times during the term of this sublease, Sublessee, at 10. Sublessee's sole cost and expense, shall be required to keep the demised premises and the leasehold improvements, equipment, and fixtures located therein, in the same condition and state of repair as is required of Sublessor under the prime lease. In addition, Sublessee, at Sublessee's sole cost and expense, shall be required to modernize, refurbish, and replace the leasehold improvements, equipment, and fixtures at the end of the tenth year of the term of this sublease (or earlier, if required of Sublessor under the terms of the prime lease), provided, however, Sublessee shall not be required to perform said modernization, refurbishing, or replacements in the event that, at the time that Sublessee would otherwise, as provided herein, be required to effect the same, less than two years then remain in the term of this sublease. Sublessee acknowledges and agrees that the obligation set forth above in this paragraph is necessary to ensure continued public acceptance and patronage of the DQ® store and to avoid deterioration or obsolescence in connection with the operation of said store. Notwithstanding the foregoing, in the event that the Landlord requires, under the terms of the prime lease, said modernization, replacement, or refurbishment within the last two years of the term of this sublease, Sublessee shall, at its sole cost and expense, perform said modernization, refurbishing, or replacement. Without limiting Sublessor's other remedies for Sublessee's default, if Sublessee fails to perform the work required under this paragraph, Sublessor may, in Sublessor's sole discretion, elect to (a) terminate this sublease upon 30 days' prior written notice to Sublessee; or (b) perform such work on behalf of Sublessee and charge the cost thereof to Sublessee, which costs shall become immediately due and payable by Sublessee.

11. <u>Prime Lease Security Deposit</u>. If any security deposit shall be required of Sublessor as lessee under the prime lease, Sublessee shall pay to Sublessor, in addition to the security deposit in subparagraph 1(b)(4) above, a security deposit in the amount set forth in subparagraph 1(b)(5) above which shall be used by Sublessor to make said security deposit

required under the prime lease. Upon termination of the sublease, Sublessor shall hold all security deposits until such time as all common area charges and all other charges, expenses or amounts due for the demised premises are paid in full.

12. <u>Holdover</u>. If Sublessee shall hold over the demised premises after the expiration of the term of this sublease, such holding over shall be construed only as a tenancy from month-to-month, upon and subject to all terms, covenants conditions and provision herein contained on the part of Sublessee to be kept and performed as well as subject to any particular additional holdover requirements of the prime lease including but not limited to, an increase on the amount of rent payable during such holdover period. Nothing herein, however, shall be construed as giving Sublessee any right to hold over and continue in possession of the demised premises.

13. <u>No Waiver</u>. No waiver of any breach of the terms, covenants, conditions, or provisions of this sublease by Sublessee shall be binding upon or asserted against Sublessor unless made in writing by Sublessor, nor shall any waiver whatever be deemed or construed as a waiver of any breach of another provision or any subsequent or continuing breach of any terms, covenants, conditions, or provisions of this sublease.

14. <u>Attorneys' Fees and Costs</u>. If Sublessor incurs any legal expenses for attorneys' fees or other costs, including, but not limited to, court costs, arising out of any default by Sublessee under this sublease or any attempt by Sublessor to enforce any term, covenant, condition, or provision which is imposed upon Sublessee under this sublease, Sublessee shall pay the same to Sublessor upon demand.

15. <u>Surrender of Possession</u>. Upon expiration or other termination of the term of this sublease, Sublessee shall quit and surrender the demised premises to Sublessor in good order and condition, subject to normal wear and tear and damage covered by fire and other insured causes. Prior to surrendering the demised premises to Sublessor, Sublessee shall, at Sublessee's sole cost and expense, remove from the demised premises (i) any equipment and other personal property which is owned by Sublessee; and (ii) if the expiration or other termination of the term of this sublease is a date which is concurrent with the expiration or other termination of the term of the prime lease, any leasehold improvements which Landlord then requires Sublessor to remove from the demised premises of the prime lease. Sublessee shall repair, at Sublessee's sole cost and expense, any damage to the demised premises which is caused by said removal. Sublessee agrees and acknowledges that title to all leasehold improvements placed in or on the demised premises, either by Sublessor or by Landlord, shall remain in Sublessor, or in Landlord, as the case may be, and that Sublessee shall have no right, title, or interest therein.

16. <u>Damage and Destruction</u>. In the event of destruction of, or damage to, the demised premises or the leasehold improvements, equipment, or fixtures located therein, by reason of fire, the elements or other casualty this sublease shall not terminate unless, by reason of said destruction or damage the prime lease is terminated. Nor shall Sublessee, by reason of any said damage or destruction where this sublease is not terminated, be relieved from any payment of rent, or for the performance of any of Sublessee's obligations hereunder, provided that, in the event that the minimum guaranteed rent payable under the prime lease is abated in whole, or in part, under the provisions of the prime lease, there shall be an abatement of minimum guaranteed

rent under this sublease to the same extent, and during the same period, as said rent is abated under the prime lease. In the event of any said destruction or damage where this sublease is not terminated, Sublessor shall restore the leasehold improvements which were made by Sublessor and Sublessee shall restore Sublessee's equipment and fixtures and any leasehold improvements made by Sublessee. In the event that any property of Sublessee which may be at any time in or about the demised premises is damaged or destroyed by any cause, whether or not covered by insurance all claims against Sublessor and Landlord and their respective agents and employees arising out of any said damage or destruction, are hereby waived by Sublessee.

17. <u>Environmental</u>. Sublessee shall strictly comply with all federal, state and local laws, ordinances, licenses, regulations, permits, orders, guidance and other directives of governmental authorities, now or hereafter enacted, relating to protection of public or worker health, safety, or welfare, or of the environment, including without limitation, those laws designed to prevent exposure to or releases of substances to the indoor or outdoor environment, or to provide information or training to others on matters relating to public or worker health, safety or welfare, or to the environment (collectively, "Environmental Laws").

Sublessee shall use, regulate, monitor, handle, store, transport, and dispose of all substances regulated or identified under Environmental Laws, including without limitation, pollutants, contaminants, asbestos, petroleum products, noise, and toxic or hazardous substances, materials, and wastes (collectively, "Regulated Substances") in strict compliance with all Environmental Laws and prudent industry practices, and shall not dispose of any nonregulated waste or Regulated Substances on the premises. In fulfilling its obligations under this and the previous paragraph, Sublessee shall not identify Sublessor as a person owning or operating the premises, or generating any Regulated Substances at or from the premises, nor shall Sublessee otherwise attribute responsibility for these or other matters relating to Environmental Laws to Sublessor, without Sublessor's prior written consent.

Sublessee shall immediately notify Sublessor in writing of Sublessee's receipt of any of the following notices or claims that, in whole or in part, arise out of or relate to, or are alleged to arise out of or relate to, the premises, the activities or business conducted at the premises, or the activities of Sublessee or anyone on or relating to the premises: (a) any notice of noncompliance with Environmental Laws, any request for investigation or clean-up of Regulated Substances, any enforcement action, or other governmental or regulatory matter relating to Environmental Laws or Regulated Substances; (b) any claim or threat by anyone relating to any loss, personal injury, property damage, expense or other damage arising out of or relating to Regulated Substances or Environmental Laws; (c) any complaint, report, notification (whether oral or written) by Sublessee or anyone to any governmental entity or regulatory authority alleging noncompliance or other incidents relating to or arising under Environmental Laws or Regulated Substances, including without limitation, a spill or release of Regulated Substances to the indoor or outdoor environment. Sublessee shall also provide to Sublessor, as promptly as possible, and no later than five (5) business days after Sublessee first receives or sends the same, copies of the items referenced in subparts (a) through (c) of this paragraph. At Sublessor's written request, Sublessee shall provide Sublessor with copies of all communications received by Sublessee relating to the matters identified in this paragraph and shall allow Sublessor a reasonable opportunity to review, revise and approve all proposed communications relating to these matters.

Before entering into any settlement agreement, consent decree or other compromise of any claims relating to the matters identified in the previous paragraph of this paragraph 17, Sublessee shall notify Sublessor in writing of its intent to make such a compromise, in a time and manner so as to allow Sublessor ample opportunity to appear, intervene, or otherwise assert or protect Sublessor's interests therein.

Immediately before expiration or other termination of this Sublease, Sublessee shall remove all Regulated Substances (whether or not placed on the premises by Sublessee) from the premises in strict compliance with all laws, and at Sublessor's request, Sublessee shall remove all piping, tanks, fixtures or other vessels which hold or previously held Regulated Substances.

Sublessee shall defend against, indemnify and hold harmless Sublessor and each of Sublessor's officers, directors, partners, employees, agents, attorneys, successors and assigns from all claims, expenses (including attorneys' fees) costs, penalties, corrective actions, damages or other loss (whether or not such loss results or is alleged to result from the negligence or strict liability of Sublessor) arising or resulting in whole or in part, directly or indirectly from: (a) impact or injury to persons, property or the environment caused by the presence of Regulated Substances at, on, under or from the premises, or from the emission, discharge, treatment, recycling, transport or disposal of Regulated Substances at, to, or from the premises; or (b) breach of any of Sublessor's obligations in this paragraph 17 of this Sublease. In performing its indemnity obligation, Sublessee agrees to retain counsel reasonably acceptable to Sublessor. The provisions of this paragraph 17 shall survive the termination of the Sublease.

18. <u>No Waste</u>. Sublessee shall not commit or suffer any waste upon the demised premises. Sublessee shall not make any alterations to the demised premises without the prior written consent of Sublessor and, if required by the prime lease, of Landlord.

19. <u>Right of Entry</u>. Sublessor reserves the right for its designees to enter upon the demised premises at all times during normal business hours and agrees to permit Landlord, and its designees, to have access to the demised premises as provided for in the prime lease.

20. <u>Indemnification of Sublessor</u>. Sublessee agrees to indemnify, defend (through counsel reasonably acceptable to Sublessor), and hold Sublessor harmless against all expenses, liability, and claims for damages to property or injury to or death of persons directly or indirectly resulting from anything occurring from any cause on or about or in connection with the use, maintenance or operation of the demised premises. Sublessee hereby waives against Landlord and against Sublessor all claims which fall within the scope of the provision of the prime lease which provides for Sublessor's waiver of claims against Landlord.

21. <u>Encumbering Title</u>. Sublessee shall not do any act which shall in any way encumber title of Landlord in and to the demised premises, nor shall the interest or estate of Landlord or Sublessor be in any way subject to any claim by way of lien or encumbrance, whether by operation of law, by virtue of any express or implied contract by Sublessee, or by reason of any other act or omission of Sublessee. Any claim to, or lien upon, the demised premises arising from any act or omission of Sublessee shall accrue only against the subleasehold estate of Sublessee and shall be subject to subordinate to the paramount title and

rights of Landlord in and to the demised premises and the interest of Sublessor in the leased premises pursuant to the prime lease.

22. <u>Relationship of Parties</u>. Nothing herein shall be construed as creating any relationship between the parties hereto as principal or agent or as partners, joint venturers, or any other relationship except the relationship of sublessor and sublessee.

23. <u>Conformance to Prime Lease</u>. If, pursuant to the provisions of the prime lease, the leasehold interest of Sublessor in the demised premises is diminished, adjusted, or altered (including the relocation of the demised premises within the shopping center), the leasehold interest of Sublessee in the demised premises shall, concurrently therewith, be diminished, adjusted, or altered in the same manner.

24. <u>Sublessee to Clean Adjacent Area</u>. During the term of this sublease, Sublessee shall police the enclosed common mall wherein the demised premises are situated against litter and spillage of products dispensed from the demised premises, and shall keep and maintain clean the area which is located within a radius of 50 feet from the demised premises, or otherwise as is required of the Sublessor by the Landlord under the prime lease, whichever is greater.

25. <u>Sublease Subject to Prime Lease and Operating Agreement</u>. The parties hereto agree that, except as otherwise provided for herein, this sublease shall be subject to the terms of the prime lease and that, notwithstanding anything contained herein to the contrary, in the event that the prime lease is terminated for any reason, this sublease shall terminate, without any act or notice required by either party, automatically on the same date that the prime lease is terminated. In addition, this sublease shall be subject to the terms and conditions of the Operating Agreement referred to above, the terms of which are made a part hereof and incorporated herein by reference, and, in the event that Sublessee defaults in any of the terms, covenants, or conditions of said Operating Agreement, said default shall constitute a default under this sublease and Sublessor may at its option, and in addition to any of the remedies provided for herein, or in said Operating Agreement, terminate this sublease.

26. <u>Controlling Law</u>. This sublease and the rights and obligations of the parties hereunder shall be construed in accordance with the laws of the state in which the demised premises are located.

27. <u>Security Interest</u>. Sublessee hereby grants to Sublessor a security interest and an express contractual lien upon Sublessee's fixtures, equipment, and other personal property situated in or upon the demised premises, including all after-acquired property, replacements, and proceeds, to secure the performance by Sublessee of its obligations under this sublease and said property shall not be removed from the demised premises without the consent of Sublessor until all rents and other sums of money then due to Sublessor have first been paid except for the sale of products or goods in the ordinary course of Sublessee's business. Sublessee hereby appoints Sublessor as Sublessee's attorney-in-fact and authorizes Sublessor to file financing statements (as attorney-in-fact) respecting said security interest. Upon the default by Sublessee under any of the terms, covenants, conditions, or provisions of this Sublease, Sublessor may, in addition to any other remedies provided for in this sublease, or by applicable law, enter upon the

demised premises and take possession of said property without liability for trespass or conversion and shall have the right, upon reasonable notice, to sell the same at public or private sale at which Sublessor, or its assigns, may purchase said property and may apply the proceeds thereof, less any and all expenses connected with the taking of possession and the sale of the property, as a credit against any sums due by Sublessee to Sublessor. Any surplus shall be paid to Sublessee and Sublessee agrees to pay any deficiency forthwith, after demand. This security interest and contractual lien herein granted to Sublessor shall be in addition to any Sublessor's lien that may now, or at any time hereafter, be provided by applicable law.

28. <u>Waiver of Jury Trial</u>. Sublessor and Sublessee hereby mutually waive any and all rights which either may have to request a jury trial in any proceeding at law or in equity in any court of competent jurisdiction.

29. <u>Successors and Assigns</u>. Except as otherwise expressly provided in this sublease, all terms, covenants, conditions, and provisions of this sublease shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns. If there shall be more than one Sublessee they shall all be bound, jointly and severally, by the provisions of this sublease.

30. <u>Nature of Covenants</u>. Each provision of this sublease to be performed by Sublessee shall be construed to be both a covenant and a condition.

31. <u>Brokerage</u>. Each party warrants to the other that it has no dealings with any broker or agent in connection with this Sublease other than \_\_\_\_\_\_

\_\_\_\_\_\_whose commission shall be paid by \_\_\_\_\_\_, and covenants to pay, hold harmless and indemnify the other party from and against any and all costs (including reasonable attorneys' fees), expense or liability for any compensation, commissions and charges claimed by any other broker or other agent with respect to this Sublease or the negotiation thereof on behalf of such party.

32. <u>Continuous Operation</u>. Sublessee agrees to continuously and uninterruptedly occupy and use the demised premises during the entire term of this sublease for the sole purpose of operating on the demised premises a franchised DQ® store and to remain open for business during the usual and regular hours and days that such businesses are customarily open for business and, in all events, Sublessee shall be open for business during the hours and days that the demised premises are required to be open for business under the prime lease.

33. <u>Entire Agreement</u>. This sublease contains the entire agreement between the parties in respect to the terms and conditions for use of the demised premises, and no party is bound by any statement or representation not contained herein. Sublessee agrees and acknowledges that Sublessee, in entering into this sublease, has not relied upon any representations, inducements, or agreements which are not contained in this sublease or in the Operating Agreement. Subparagraph 33 of this Sublease shall not be construed to mean that Sublessee may not rely on representations in the Franchise Disclosure Document that Company provided to Sublessee in connection with the offer and purchase of the license granted under the Operating Agreement.

34. <u>Sublease Not to be Recorded</u>. Without the prior written consent of Sublessor, Sublessee agrees not to record this sublease among the land records of the county where the demised premises are located.

35. <u>Headings</u>. Headings contained herein are for convenience of reference and shall not be taken into account in construing or interpreting this sublease.

	IN WITNESS	WHEREOF, the pa	arties hereto	have executed	and delivered	this instrument
this _	day of	, 20				

DQF, Inc.

Sublessee

Signature:	Signature:
Print Name:	Print Name:
Title:	Title:

#### Guaranty

#### KNOW ALL BY THESE PRESENTS, that,

	WHEREAS,	,	, and
		("Guarantors") are the sole shareholders of	,
а		corporation ("Sublessee"); and	

WHEREAS, at the instance and request of Guarantors, DQF, Inc., a Minnesota corporation ("Sublessor") is entering into that certain sublease with Sublessee of even date hereof respecting certain demised premises located in \_\_\_\_\_\_ Shopping Center, City of \_\_\_\_\_\_, State of \_\_\_\_\_\_.

NOW THEREFORE in consideration of said recited facts and for other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, Guarantors, jointly and severally, do hereby, unconditionally, and irrevocably, guarantee to Sublessor the full and timely observance, performance, and payment when due by Sublessee of all of its obligations and liabilities under the sublease and this Guaranty.

Guarantors hereby waive notice of the receipt of this Guaranty and notice of default by the Sublessee in the observance or performance of any condition or provision of said sublease. Guarantors hereby consent to any extension of time or other indulgence or forbearance granted by Sublessor to Sublessee; and do hereby acknowledge and agree that the Guarantors shall have no defense whatsoever, at law or in equity, to their unconditional, irrevocable, obligation and liability hereunder, excepting only the defense of full and timely observance and performance by Sublessee of its part of said sublease. Guarantors agree that their liability under this Guaranty shall not be required to pursue any right or remedy it may have against Sublessee under the Sublease or otherwise (and shall not be required to first commence any action or obtain any judgment against Sublessee or against property of Sublessee in which Sublessor holds a security interest) before enforcing this Guaranty against Guarantors. Guarantors agree that should Guarantors fail to perform any obligation under this Guaranty and should Sublessor bring an action to require the performance of any such obligation, Sublessor shall recover from Guarantors the cost of such an action, including a reasonable attorneys' fee.

Time is an essential part hereof.

These presents shall bind the Guarantors, their heirs, successors, and assigns, and shall extend to the benefit of said Sublessor, its successors and assigns.

IN WITNESS WHEREOF, these presents have been executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_

\_

# EXHIBIT A

### PRIME LEASE

#### EXHIBIT B

In accordance with subparagraph 1(b)(7) of the sublease by and between DQF Inc. and \_\_\_\_\_\_("Licensee"), dated \_\_\_\_\_\_, \_\_\_\_(the "sublease"), the term of the sublease shall commence on \_\_\_\_\_\_, \_\_\_\_ and expire on \_\_\_\_\_\_, \_\_\_\_. The foregoing dates shall supersede the dates noted in subparagraph 1(b)(7) of the sublease. Otherwise, the sublease shall be in full force and effect as written.

# EXHIBIT C

Notice with respect to monthly rent for leasehold improvements in accordance with subparagraph 7(c) of the sublease.

# <u>EXHIBIT I</u>

Tables of Contents for Manuals

# DQ<sup>®</sup> System Standards and Operations Manual

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## EXHIBIT J

Lists of direct-licensed and subfranchised DQ® Treat, DQ® Soft Serve Only, and Dairy Queen®/Limited Brazier® franchises

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Pss Inc / Sutton, Philip L	508 S 4th St		Paragould	AR	72450-5101	8702367796
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Chandler Fashion Square	3111 W Chandler Blvd Ste Ff-212	Chandler	AZ	85226-5201	4802577070
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Phoenix Premium Outlets	4976 Premium Outlets Way Ste 730	Chandler	AZ	85226-5516	4803007225
Q3 Pecos LLC / Sladek, William G / Simms, Peter D / Gilfillan, Gregg R	3107 S Gilbert Rd Ste 112		Gilbert	AZ	85295-4681	4807268111
Q3 Higley LLC / Kingsbury, Warren C / Oehrlein, Mark J	Higley Village Plaza	3303 E Queen Creek Rd, Ste A-101	Gilbert	AZ	85297-8532	4802795001
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Arrowhead Towne Center	7700 W Arrowhead Towne Ctr #2094	Glendale	AZ	85308-8665	6234865157
MMPR Union Hills Hospitality LLC / Kalra, Ramandeep / Kalra, Puja	4410 W Union Hills Dr Ste 3		Glendale	AZ	85308-1616	6235829440
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Tanger Outlets	6800 N 95th Ave	Glendale	AZ	85305-6800	6238773147
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	6555 E SOUTHERN AVE STE 2514		MESA	AZ	85206-3728	4806411921
Telea LLC / Cook, Teri / Cook, Larry / Oakeson, Cray / Oakeson, Leaann	33 S Country Clb Dr		Mesa	AZ	85210-6530	4809649551
Mb Treats LLC / Barrett, Matthew J / Lee, Wayne E	9919 E Baseline Rd Ste 102		Mesa	AZ	85209-8325	4803807121
Mira Hospitality LLC / Kalra, Ramandeep Singh / Kalra, Puja	Camino A Lago Marketplace	10100 W Lake Pleasant Pkwy Ste 1320	Peoria	AZ	85382-2012	6235660448
GSFM Inc of Arizona / Gregg, Ronald Gene / Gregg, Lynn M / Smith, Albert E	5217 S Central Ave		Phoenix	AZ	85040-8774	6022433566
K & D Foods LLC / Kerich, James M / Kerich, Maria L / Demers, John P	North Canyon Village	34455 N 27th Dr Ste 101	Phoenix	AZ	85085-8868	6237800284
Tempco Enterprises LLC / Connell, Tempe F	5250 W Indian School Rd		Phoenix	AZ	85031-2605	6232479798
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Prescott Gateway Mall	3250 Gateway Blvd Ste 286	Prescott	AZ	86303-6850	9287780908
Rittenhouse Ops LLC / Sladek, William G / Simms, Peter D	20911 E Rittenhouse Rd Ste 101		Queen Creek	AZ	85142-4854	4808167266
Sanrak Inc / Parikh, Rakesh / Parikh, Sandip / Parikh, Sudha	11219 E Via Linda		Scottsdale	AZ	85259-4069	4806145981
Q3 Surprise Ops LLC / Sladek, William G / Simms, Peter D / Kingsbury, Warren C	15261 N Reems Rd Ste 104		Surprise	AZ	85374-9577	6234767439
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Arizona Mills	5000 S Arizona Mills Cir	Tempe	AZ	85282-6402	4808394796

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Raknro LLC / Parikh, Rakesh / Parikh, Roshni B	1805 E Southern Ave		Tempe	AZ	85282-5814	4804260010
Almassian LLC / Mikail-Almassian, Arman N / Mikail-Almassian, Nora S	The Shops at Sanita Anita	400 S Baldwin Ave #9270	Arcadia	CA	91007-1927	6264468323
Szulborski, Michael V	41-800 Washington St		Bermuda Dunes	CA	92203-8150	7607729164
First Classic Corporation / Simonian, Karlen / Simonian, Greta	Media City Center	201 E Magnolia Blvd Ste 348	Burbank	CA	91502-1128	8182609003
Subi Inc / Malik, Maqbool Ahmed	11309 183rd Street		Cerritos	CA	90703-5434	5628606226
PXY San Diego LLC / Peng, Jason Q / Yu, Ligong / Yang, Alan X	664 Palomar St Ste 1101		Chula Vista	CA	91911-2611	6194201660
Se Synergy LLC / Kapuscinski, Karl I / Kapuscinski, Michelle R	Fiesta Village	1407 E Washington St	Colton	CA	92324-4611	9094221501
Kps Corporation / Patel, Nilam A / Patel, Alpesh K	4463 Clayton Rd		Concord	CA	94521-2845	9256922100
YU4 LLC / Yu, Glenn Chih / Yu, Lily Cheng-Li / Yu, Justin Ling Un / Yu, Nathan Ling Ming	9951 Walker St		Cypress	CA	90630-3827	7147618474
Nam, Yong Ok	2656 Jamacha Rd Ste 102		El Cajon	CA	92019-6305	6196601537
Syed, Abutalib	Imperial Valley Mall	3451 S Dogwood Ave, Space 1530	El Centro	CA	92243-9673	7603371298
Wtf Kami Inc / Kim, Peter S	5183 Warner Ave		Huntington Beach	CA	92649-4005	7148407971
Johnson, Jeffrey T / Johnson, Suzanne T	Vintage Faire Mall	3401 Dale Rd. #228	Modesto	CA	95356-0591	2095277831
TJ and DC Inc / Le, Diem-Chi	4467 Mission Blvd		Montclair	CA	91763-6036	9096270444
Wtf Kami Inc / Kim, Peter S	Moreno Valley Mall	22500 Town Cir Ste 2133	Moreno Valley	CA	92553-7518	9516531579
Moreno, Ruben A / Moreno, Marjorie K	24021 Alessandro Blvd		Moreno Valley	CA	92553-6707	9512429848
Kunain Inc / Syed, Abutalib / Naqvi, Syed Zeeshan	Plaza Bonita Center	3030 Plaza Bonita Rd Ste #2427	National City	CA	91950-8025	6192672674
Needles Petroleum Inc / Ghanem III, Fadel Farid	2451 Needles Hwy		Needles	CA	92363-2108	7603262919
First Classic Corporation / Simonian, Karlen / Simonian, Greta	Northridge Fashion Center	9301 Tampa Ave Unit 75	Northridge	CA	91324-5670	8188829918
Salgado, Caroline	Shopping @ The Rose	1941 N Rose Ave Ste 720	Oxnard	CA	93030-0657	8054857899

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Shoppers Stop Inc / Hirani, Prakash / Hirani, Seema	9694 Baseline Rd		Rancho Cucamonga	СА	91701-5035	9099807840
Moreno, Ruben A / Moreno, Marjorie K	6665 Magnolia Ave		Riverside	CA	92506-2904	9510000000
Riverside Desserts of Quality Inc / Reinhardt, Alan J	8610 California Ave #101		Riverside	CA	92504-2811	9513434075
Bader Serramonte Inc / Elhindi, Mohammad T	The Shops At Tanforan	1150 El Camino Real Ste 252	San Bruno	СА	94066-2425	6509525321
Accolade Hospitality Management Inc / Pallencaoe, Richard A / Pallencaoe, Jeanny	Mission Valley Mall	1640 Camino Del Rio N #1221	San Diego	СА	92108-1506	6192983742
Dever Capital Management LLC / Engler, Craig K	11835 Carmel Mountain Rd Ste 1312		San Diego	СА	92128-4609	8584878372
Dever Capital Management LLC / Engler, Craig K	5950 Santo Rd Ste P		San Diego	CA	92124-1197	8585605805
Bdkn Enterprises LLC / Nguyen, Binh P / Tran, Lananh	Oakridge Mall	925 Blossom Hill Rd Ste 1012	San Jose	СА	95123-1242	4082258019
Glams Direct Inc / Godavarti, Murali Mohan / Godavarti, Lalitha	Gateway Center	21001 San Ramon Valley Blvd E5	San Ramon	CA	94583-3458	9255606509
Kam, Fransiskus	26541 Bouquet Canyon Rd		Santa Clarita	СА	91350-2377	6612630786
Ruiz, Gilberto / Gaona, Sara	Santa Maria Town Center	184 Town Ctr E	Santa Maria	CA	93454-5131	8059250606
Dever Capital Management LLC / Engler, Craig K	70 Town Centre Pkwy Ste A		Santee	CA	92071-5806	6195960922
Rayhan, MD / Rayhan, Fatema R	1368 Madera Rd, Ste P2-4		Simi Valley	СА	93065-4063	8055781857
Wtf Kami Inc / Kim, Peter S	31845 Temecula Pkwy Ste C		Temecula	СА	92592-2871	9513026464
Hsieh, Yen Chih (Byron) / Hu, Sarah H	The Market Place	2939 El Camino Real	Tustin	CA	92782-8909	7145054288
Kam, Fransiskus	Valencia Town Center	24201 Valencia Blvd	Valencia	CA	91355-1861	6612882648
Shoppers Stop Inc / Hirani, Prakash / Hirani, Seema	12045 5th St Unit G		Yucaipa	СА	92399-2771	9097903772
Bighash, Touraj / Bighash, Gity Z	3140 S Parker Rd		Aurora	со	80014-6214	3037511302
R & D Stores Inc / Slater, Rick C	2197 S Chambers Rd		Aurora	со	80014-4503	3037550852
Tower Ice Cream Ltd / Dwayne F Wingert Trust / Wingert, M Louise	18121 E Hampden Ave Unit A		Aurora	со	80013-3591	3037669735

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	Aurora Mall	14200 E Alameda Ave Ste 2060a	Aurora	со	80012-2508	3033605647
Rd & E Ice Cream Inc / Slater, Rick C / Kraft, Emily A	24300 E Smoky Hill Rd		Aurora	со	80016-1387	3034003811
Pbjd One Inc / Smith, Bruce R	685 30th St		Boulder	со	80303-2310	3034430656
Pbjd Enterprises Inc / Smith, Bruce R	7634 US Hwy 287		Broomfield	со	80020-2227	3034692431
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Flat Iron Crossing	1 W Flatiron Dr Space #ff- 244	Broomfield	со	80021-8891	7206682483
South Tri Stores LLC / Denhof, Richard G / Feldman, Ruth A / Smith, Brian M / Smith, Emily R	The Streets At Southglenn	2330 E Arapahoe Rd Unit 907	Centennial	со	80122-3299	3037945505
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	Chapel Hills Mall	1710 Briargate Blvd #465	Colorado Springs	со	80920-6403	7195949200
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	5440 Tutt Blvd		Colorado Springs	со	80922-2515	7195969080
Strub, James A	5800 E 64th Ave		Commerce City	со	80022-3315	3032891650
Q3 Delta LLC / Sladek, William G / Simms, Peter D / Gilfillan, Gregg R	240 A N Palmer St		Delta	со	81416-1781	9708741770
Tri-Sweets Inc / Nguyen, Thu H / Trinh, Cong M	7601 E Colfax Ave		Denver	со	80220-1950	3033885144
Eagle Too Corp / Dwayne F Wingert Trust / Wingert, M Louise	2450 S Colorado Blvd		Denver	со	80222-5907	3037566598
Rad Enterprise LLC / Russell, Derek A / Russell, Rachel A	7150 Leetsdale Dr #412		Denver	со	80224-3516	3033227254
Canuckjenny LLC / Leggatt, Jennifer L	780 S Colorado Blvd - Bldg A		Denver	со	80246-1973	3037829364
Lototo Ltd / Wingert, Todd R / Wingert M Louise	3531 S Logan St Unit H		Englewood	со	80113-3700	3037787287
Treatalicious Inc / Stockert, Stephen S / Stockert, Julie L	3335 Arapahoe Rd Ste 10		Erie	со	80516-6010	7208908759
Gassmann Enterprises Inc / Gassmann, Thomas J / Gassmann, Nicole M	218 E Elkhorn Ave		Estes Park	со	80517	9705864939
Pbjd Enterprises Inc / Smith, Bruce R	10250 Federal Blvd Unit 200		Federal Heights	со	80260-8619	3034392434
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	8350 County Road 13 Ste 190		Firestone	со	80504-6803	3038333435
Chavez, Michelle L	1805 S College Ave		Fort Collins	со	80525-1422	9704821795

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Chavez, Michelle L	1426 E Harmony Rd		Fort Collins	со	80525-3297	9702040615
Chavez, Michelle L	1275 E Magnolia St Ste F		Fort Collins	со	80524-4793	9702242428
Colorado Mesa Mall Inc / Dejbakhsh, Dara / Dejbakhsh, Nader	Mesa Mall	2424 Highway 6 and 50	Grand Junction	со	81505-1109	9702437044
Tri-Treats Inc / Nguyen, Thu H / Trinh, Cong M	6625 S Yosemite Ct		Greenwood Village	со	80111-4903	3037794538
Win Hof Ltd / Dwayne F Wingert Trust / Wingert, M Louise	9435 S University Blvd		Highlands Ranch	со	80126-4976	3036831553
Treatalicious Inc / Stockert, Stephen S / Stockert, Julie L	305 Exempla Cir		Lafayette	со	80026-3463	3038625954
Eagle Too Corp / Dwayne F Wingert Trust / Wingert, M Louise	245 S Wadsworth Blvd		Lakewood	со	80226-1517	3032327060
The Verstraete Corporation / Verstraete, George Edward / Verstraete, Catherine Ann	1010 S Union Blvd		Lakewood	со	80228-3312	3039888545
Lix II LLC / Lix Holding & Management Co / Shannon, Craig M / Shannon, Janice L / Flagg, Michael D	1525 S Sheridan Blvd		Lakewood	со	80232-7248	3039347206
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	Colorado Mills	14500 W Colfax Ave Unit 548	Lakewood	со	80401-3236	3035901702
D & W Stores Ltd / Denhof, Richard G / Feldman, Ruth A	7576 S Pierce St		Littleton	со	80128-5757	3039790729
Plaza Stores Ltd / Denhof, Richard G	11727 W Ken Caryl Ave		Littleton	со	80127-3741	3039792147
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	Park Meadows Mall	8515 Park Meadows Center Dr Ste 2430	Lone Tree	со	80124-5012	3037929958
Zieglin Inc / Stockert, Stephen S / Stockert, Julie L	616 Main St		Longmont	со	80501-4919	3037721340
Zieglin Inc / Stockert, Stephen S / Stockert, Julie L	2201 Ken Pratt Blvd Ste D		Longmont	со	80501-6564	3036519733
Lindberg, Craig A	300 E Eisenhower Blvd		Loveland	со	80537-3901	9704613456
Bpw Ops LLC / Sladek, William G / Simms, Peter D / Kingsbury, Warren C	1001 S Townsend Ave		Montrose	со	81401-4978	9704174775
Eagle Country Ventures LLC / Perry, Jody L / Perry, Michelle M	Central Park Plaza	1755 Central Park Plaza	Steamboat Springs	со	80487	9708711800
The Patrick Family Group Ltd / Patrick, Donald L / Patrick, Anita K / Patrick Family Investments Inc	721 W 84th Ave		Thornton	со	80260-4819	3034283744
LIX Thornton LLC / LIX Holding & Management CO / Shannon, Craig M / Shannon, Janice L / Flagg, Michael D	3894 E 120th Ave Unit A	Thornton Plaza Shopping Center	Thornton	со	80233-1685	3032529375

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Huron Store Ltd / Dwayne F Wingert Trust / Wingert, M Louise	774 W 120th Ave		Westminster	со	80234-2706	3032559812
P & G Creamery LLC / Mestdagh, Steven A / Mestdagh, Kristy C	9720 W 44th Ave		Wheat Ridge	со	80033-2909	3034218576
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	6790 W 38th Ave		Wheat Ridge	со	80033-4908	3034204141
Gassmann Enterprises Inc / Gassmann, Thomas J / Gassmann, Nicole M	1299 Main St		Windsor	со	80550-5918	9706869272
Moonrose, Joseph Zozo / Keklik, Kennedy	949 Huntington Rd		Bridgeport	СТ	06610-1716	2033456047
DQCT II Inc / Stetzer, Glenn / O'neill, Jennifer S / Matusik, Christopher J / Matusik, Anthony T	1062 S Main St		Cheshire	СТ	06410-3444	2032727027
American Hospitality Group LLC / Cassetta, Michael J	435 Main St		East Hartford	СТ	06118-1402	8605688171
Cassetta, Michael J / Cassetta, Rosemary	395 Enfield St		Enfield	СТ	06082-1920	8607452272
KBS LLC / Pesavento, Scott P / Pesavento, Kari R	1902 Post Rd		Fairfield	СТ	06824-5720	2032595659
Mcbride Enterprises-Groton Lcc / Mcbride Jr, David F / Mcbride, Matthew R / Mcbride-Belli, Shelley M	42 Fort Hill Rd		Groton	СТ	06340-4723	8603331681
Guilford High Mart LLC / Toma, Soubhi / Dimas, Hani / Alnahlawi, Anas	490 Boston Post Rd		Guilford	СТ	06437-2950	2034539509
Cassetta, Michael J / Cassetta, Rosemary	806 Farmington Ave		Kensington	СТ	06037-1303	8608289610
Fuzzy Bunny LLC / Siddiqi, Ahmad O / Siddiqi, Sana O	1363 New Haven Ave		Milford	СТ	06460-8158	2038776506
G & W Treats LLC / Mulreed, Shannon W	401 Monroe Tpke		Monroe	СТ	06468-2276	2038805880
Pursell, Robert A / Pursell, Denise M	254 1/2 Kimberly Ave		New Haven	СТ	06519-2829	2037765052
Jak Management LLC / Khanna, Amitabh / Khanna, Ashwani K	2514 Berlin Turnpike		Newington	СТ	06111-4108	8606663900
Bobinski, Josephine G	73 Pennsylvania Ave		Niantic	СТ	06357-3224	8607395830
Ic 80 LLC / Montesanto Jr, John M / Montesanto, Michelle L / Demaio, James L / Demaio, Deborah L	280 North Branford Rd		North Branford	СТ	06471-9998	2034881494
DQCT III Inc / Stetzer, Glenn / O'Neill, Jennifer S / Matusik, Christopher J / Matusik, Anthony T	2011 Whitney Ave		North Haven	СТ	06473-4472	2032486686
Kollmer, Heather Spera / Lassen, Jennifer M	1370 Boston Post Rd		Old Saybrook	СТ	06475-1709	8603885650

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
McBride, Matthew R	22 Liberty St		Pawcatuck	СТ	06379-1642	8605993380
Savio Enterprises LLC / Savio, Christine	81 East St		Plainville	СТ	06062-2341	8607475600
Faljr LLC / Lucherini Jr, Frank A	885 Summer St		Stamford	СТ	06905-5501	2033489147
A & N Sweet Treats LLC / Nelson, Joann M / Mulreed, Shannon W	1514 Barnum Ave		Stratford	СТ	06614-5406	2033789616
Mrtj Enterprises LLC / Peterson, Michael J / Peterson, Chelcy L	447 Main St		Torrington	СТ	06790-5006	8604826609
Sotere, Ronald (Estate) / Sotere, Roseann	235 S Colony St		Wallingford	СТ	06492-4154	2032650712
McBride Enterprises LLC / McBride Jr, David F	850 Hartford Tpke		Waterford	СТ	06385-4234	8604391826
Pursell, Denise M	64 Orange Ave		West Haven	СТ	06516-2023	2039345483
Bertora, Paul B	1051 Main St		Willimantic	СТ	06226-2129	8604561991
The Bobinski Family Trust / Bobinski, Genevieve (Estate)	59 Main St Box 555		Winsted	СТ	06098-1710	8603796733
Jas Treats LLC / Malik, Amit	Kent Eight Plaza	1406 Forrest Ave Ste A1	Dover	DE	19904-3398	3027300795
Atlantic Ice Cream of Delaware Inc / Ramadan, Mohamad S	67 Rehoboth Ave		Rehoboth Beach	DE	19971-2119	3022787647
Cool Treats of Bonita Inc / Hendricks, Scott T	Bonita Bay Shopping Center	26831 S Tamiami Trl Unit #53	Bonita Springs	FL	34134-7818	2399924797
Bell Brand Ranches Inc / Doty, Stephen F / Doty, Debra A (Estate)	5217 W 14th St		Bradenton	FL	34231	9417559449
Joli Ventures Inc / Sgro, John D / Sgro, Lisa K	2046 Gulf To Bay Blvd		Clearwater	FL	33765-3713	7274470132
Mako Beachside LLC / Schafer, Kevin S / Schafer, Misako	3690 N Atlantic Ave		Cocoa Beach	FL	32931-5427	3217848787
Gourmet Sweet Treats Inc / Thani, Gomesh	5405 Lyons Rd		Coconut Creek	FL	33073-2810	9546980078
Jy Real Dreams28 LLC / Siabatto, Judith / Gomez, Yajaira	10261 Stirling Rd		Cooper City	FL	33328-6526	9546800777
RSC LLC / Singh, Indra Y / Singh, Doonauth R	2361 N University Dr		Coral Springs	FL	33065-5121	9547550488
Mr Creamy Inc / Vargas, Carlos / Vargas, Diane	10665 Wiles Rd		Coral Springs	FL	33076-2017	9542550888

Franchisee Group	List of Franchised Locat	Address2	City	ST	Zip	Phone
Youth Investments of Dairy Queen Inc / Millard, Doug	6550 SW 39th St		Davie	FL	33314-2419	9545844081
Frozen Assets/Davie LLC / Molina Jr, Albert R / Molina, Christopher A	13684 W State Road 84		Davie	FL	33325-5302	9542604170
Yumyum Enterprises Inc / Clausen, Kristina	4979 SW 148th Ave		Davie	FL	33330-2419	9542529236
Hanzala Inc / Siddiq, Asharf	1000 Linton Blvd A-3		Delray Beach	FL	33444-1123	5612432663
Northern Stern Corp / Ayoroa, Juan A	Miromar Outlets	10801 Corkscrew Rd, Ste 137	Estero	FL	33928-9436	2393901428
Land O' Sun Management Corporation / Fogg, Alan S Jr / Fogg, Stephen M / Rentz, Suzanne F	3960 SW Archer Rd Ste B		Gainesville	FL	32608-2398	3522440482
Jzs Enterprises of Jax Inc / Smolios, William B / Smolios, Cheryl L	7253 103rd St		Jacksonville	FL	32210-6706	9047796564
ROJE-Jupiter LLC / Wesch Jr, Robert J / Wesch, Janet N	3900 E Indiantown Rd Ste 605		Jupiter	FL	33477-5085	5617437155
Amanda Real Estate Holdings LLC / Dana, Michael E	1207 United St		Key West	FL	33040-3409	3052933737
Land O' Sun Management Corporation / Fogg, Alan S Jr / Fogg, Stephen M / Rentz, Suzanne F	6390 S State Rd 53		Madison	FL	32340	8509732311
Tlj Palmer Inc / Tljp 401К Trust / Palmer, Troy S / Palmer, Lisa С	7660 N Wickham Rd		Melbourne	FL	32940-7911	3212555658
Gentile, Michael R / Gentile, Debra T	265 N Courtenay Pkwy		Merritt Island	FL	32953-3407	3214521610
K & J Confections Inc / St Clair, Keith J	Southland Mall	20505 S Dixie Hwy Ste 1887	Miami	FL	33189-1228	3052526102
Cone Crazy Inc / Nortmann, Nancy D	1900 S St Rd #7		Miramar	FL	33023-6734	9549894272
Scenic Treat LLC / Mcpherson, Robert David Lee	1688 Scenic Gulf Dr		Miramar Beach	FL	32550-6937	8508371757
729 Enterprises Inc / Mcguirk, Andrew Jason	729 N Dixie Fwy		New Smyrna Beach	FL	32168-6411	3864288066
Pilot Corporation	2020 SW 135th St		Ocala	FL	34473-3923	3523478499
Joli Ventures Inc / Sgro, John D / Sgro, Lisa K	3850 Tampa Rd		Oldsmar	FL	34677-3007	8139250118
International Treats I Ltd / Vilardebo, Charles V / Farley, Mark	6321a International Dr		Orlando	FL	32819-8213	4073529691
Flips N Dips Inc / Byrne, Daniel E / Byrne, June M / Owens Jr, James G / Owens, Angela L	328 N Nova Rd #108		Ormond Beach	FL	32174-5126	3866762144

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Dairy Queen of Palatka Inc / Smothers Jr, Howard H / Smothers, Barbara (Estate)	822 Saint Johns Ave		Palatka	FL	32177-4648	3863252677
Osprey Oil Co LLC / Bellows Jr, Richard / Uphoff, Wendy L	7219 US Highway 41 N		Palmetto	FL	34221-9610	9417269664
Valenlayne LLC / Wright, Richard DR	University Marketplace Shopping Ctr	8364 Pines Blvd	Pembroke Pines	FL	33024-6600	9544335131
B & M Dairy Queen Inc / Biviano, Salvatore	2901 N Federal Hwy		Pompano Beach	FL	33064-6850	9549438390
Suncoast Delight Inc / Maddox, Jeffrey S	909-C Kings Hwy		Port Charlotte	FL	33980-4248	9417438665
ROJE-Pt St Lucie LLC / Wesch Jr, Robert J / Wesch, Janet N	Key Lime Plaza	254 SW Port St Lucie Blvd	Port St Lucie	FL	34984-5044	7722042678
Northern Stern Corp / Ayoroa, Juan A	26600 Jones Loop Rd		Punta Gorda	FL	33950-4700	9416218910
ROJE-Royal Palm Beach LLC / Wesch Jr, Robert J / Wesch, Janet N	1113 Royal Palm Beach Blvd		Royal Palm Beach	FL	33411-1641	5617900349
JK Jacobs LLC / Jacobs, Jeffrey S	2523 Park Dr		Sanford	FL	32773-5151	4073243654
ROJE-Jensen Beach LLC / Wesch Jr, Robert J / Wesch, Janet N	2531 NW Federal Hwy		Stuart	FL	34994-9315	7726922252
Sodexo Operations LLC / Reid, John B	Stadium Center	500 University Dr	Tampa	FL	33606-1490	8132573884
Wesley Chapel Sweets LLC / Khan, Masood K / Khan, Nancy C / Neuman, Michael P / Neuman, Yasmeen E / Khan, Khalid J	27329 Wesley Chapel Blvd		Wesley Chapel	FL	33544-4287	8139919767
Joebbk LLC / Bouary, Joseph E	7900 S Dixie Hwy		West Palm Beach	FL	33405-4822	5614294530
Lawrence, Evelyn	1950 Wilton Dr		Wilton Manors	FL	33305-3909	9545665735
Pilot Corporation	2110 US 41 Hwy NE		Calhoun	GA	30701-8818	7066240160
Fmes Enterprises LLC / Nunez, Francisco E / Nunez, Mildred	2761 Marietta Hwy		Canton	GA	30114-3957	7702133614
Fmes Enterprises LLC / Nunez, Francisco E / Nunez, Mildred	147 Reinhardt College Pkwy	Riverstone Village - Suite 1	Canton	GA	30114-5641	7702134529
BuffaloDQ LLC / Vogels, Mary Ellen	Arbor Place Mall	106 Arbor Place Mall	Douglasville	GA	30135-7113	3107792311
Sabila Inc / Munshi, Mohmadiftekhar M	Sugarloaf Mills Mall	5900 Sugarloaf Pkwy, #100	Lawrenceville	GA	30043-7837	6788470407
The Teton Group LLC / Hendricks, Todd K / Crapo, Conn J / Crapo, George M (Estate)	Prince Kuhio Plaza (Hawa'i)	111 E Puainako St	Hilo	ні	96720-5288	8089591017

	List of Franchised Locat	tions				
Franchisee Group	Address1	Address2	City	ST	Zip	Phone
HDQ Inc / Mehring, Patrick J / Mehring, Robert J	4725 Bougainville Dr Bldg 631		Honolulu	ні	96818-3179	8084220200
HDQ Inc / Mehring, Patrick J / Mehring, Robert J	Hilton Hawaiian Village Resort (O'ahu)	2005 Kalia Rd	Honolulu	ні	96815-1917	8089468866
Mt & S LLC / Turner, Mark / Turner, Sherilynn R	Kona Commons (Hawaii)	74-5450 Makala Blvd Ste 106	Kailua Kona	ні	96740-2725	8087315929
HDQ Inc / Mehring, Patrick J / Mehring, Robert J	Windward Mall (O'ahu)	46-056 Kamehameha Hwy	Kaneohe	ні	96744-3786	8082354270
The Teton Group LLC / Hendricks, Todd K / Crapo, Conn J / Crapo, George M (Estate)	Queens Marketplace (Hawa'i)	69-201 Waikoloa Beach Dr Ste 608	Waikoloa	ні	96738-5812	8088861029
Tmcr LLC / Rindone, Brien G	20 E Nebraska St		Algona	IA	50511-2630	5152955287
HrtIndtrt LLC / Sladek, William G / Simms, Peter D	707 C Avenue		Armstrong	IA	50514	7128683732
SkmDQ LLC / Medd-Priest, Susan K	2535 18th St		Bettendorf	IA	52722-3214	5633599480
Shaffer, Alan E	201 W Taylor St		Creston	IA	50801-3768	6417822826
Two Minis Too Mini LLC / Price, Keli M / Price, Stephen M	Northpark Mall	320 W Kimberly Rd	Davenport	IA	52806-5920	5633869189
Frum, Steven E	1015 4th Ave S		Denison	IA	51442-2429	7122634910
Chemco LLC / Hoffman, Robert J	1321 E University Ave		Des Moines	IA	50316-2437	5152620319
Jessi's Enterprises LLC / Sarcone, Stephen B / Sarcone, Stephanie G	3408 SW 9th St		Des Moines	IA	50315-3129	5152828823
Sullivan Enterprises Ltd / Sullivan, Mary Anne	5415 Douglas Ave		Des Moines	IA	50310-1841	5152781847
Class-Sy LLC / Sarcone, Stephen B / Sarcone, Stephanie G	1319 Army Post Rd		Des Moines	IA	50315-5546	5152852619
N. Mcmanus Enterprises LLC / Mcmanus, Nathan C	6842 University Ave		Des Moines	IA	50324-1509	5152743011
Blake, Vicki L	2300 Rhomberg		Dubuque	IA	52001-1442	5635822727
Cairney, Thomas (Estate)	1412 A Street		Fort Dodge	IA	50501-5610	5159554051
RpDQ Inc / Robertson, Steven L	2504 12th St		Harlan	IA	51537-2380	7127553224
Daughters, Michael (IA)	2656 Belknap Blvd		Keokuk	IA	52632-2750	3193138231

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Ajja Inc / Herman, John L / Herman, Christine	117 E Washington St		Mount Pleasant	IA	52641-1932	3193854304
O'Brien, Robert R	203 1st Ave E		Newton	IA	50208-3717	6417928070
Chebuhar, Catherine A	1314 Albia Rd		Ottumwa	IA	52501-3944	6416829767
Iowa 80 Truckstop Inc / Meier, Delia Moon	755 W Iowa 80 Rd		Walcott	IA	52773-8572	5634685375
Strategic Property Management Inc / Hellman, Steven J / Hellman, Randy	1506 La Porte Rd		Waterloo	IA	50702-2714	3192325440
Jensen, Thomas Joe	1229 Lafayette St		Waterloo	IA	50703-4842	3192336313
Tower Park DQ Inc / Hellman, Randy / Hellman, Steven J	103 E Tower Park Dr		Waterloo	IA	50701-9330	3192331867
Strategic Property Management Inc / Hellman, Steven J / Hellman, Randy	1304 W 5th St		Waterloo	IA	50702-2902	3192325067
Waverly HDQ Inc / Hellman, Steven J	122 4th St S W		Waverly	IA	50677-3119	3193523256
HDQ Inc / Hellman, Ronald / Hellman, Randy / Hellman, Cindy (38303)	1403 Superior St		Webster City	IA	50595-2920	5158322051
Hoffman, Robert J	Valley West Mall	1551 35th St, Space #138	West Des Moines	IA	50266-1101	5152256469
N. Mcmanus Enterprises LLC / Mcmanus, Nathan C	2020 Grand Ave Ste 100		West Des Moines	IA	50265-4201	5152251089
Jeff's Ice Cream LLC / Sieglaff, Jeffrey D	308 Grand Ave		West Des Moines	IA	50265-3714	5152550373
Broulim Supermarkets LLC / Broulim, Robert / Oswald, Cyri / Broulim'S Super Market Inc / Broulim, Charles Richard	2730 E Sunnyside Rd		Ammon	ID	83406-7547	2085220795
Ipsen Inc / Ipsen, Kent N / Ipsen, Ginger	966 Main St		Antioch	IL	60002-1537	8473958383
Chameleon Concepts Inc / Laurie, Frank A / Laurie, Mary	1293 N Rand Rd		Arlington Heights	IL	60004-4314	8478181970
Peoria Ice Cream Company / Kepple, Michael D / Kepple, Linda P	1530 W Garfield Ave		Bartonville	IL	61607-1755	3096970575
Ktj Squared Inc / Kopp, John P / Kopp, Kimberly L	702 S Buffalo Grove Rd		Buffalo Grove	IL	60089-3708	8475202571
Carbondale Treats Inc / Bleyer, Frank L / Bleyer, Robert C / Bleyer, Steven A	508 S Illinois Ave		Carbondale	IL	62901-2815	6184575346
Romano, Thomas A	3811 N Southport Ave		Chicago	IL	60613-2823	7738577004

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Radhav LP Inc / Patel, Priyank M / Patel, Nikita P	2200 N Lincoln Ave		Chicago	IL	60614-3718	7738712200
B&J Schmitt Inc / Schmitt, Brock N / Schmitt, Jessica N	1206 N 4th St		Chillicothe	IL	61523-1508	3092749100
Judith K Myers Living Trust / Myers, Judith K	550 Green Pk Ave		Colona	IL	61241-9620	3097960968
Peoria Ice Cream Company / Kepple, Michael D / Kepple, Linda P	624 S Main St		Creve Coeur	IL	61610-3974	3096998079
Jones, Robert E	1203 E Main St		Danville	IL	61832-6024	2174420235
Prairie State Ice Cream Inc / Malarski, Jeffrey T / Malarski, Regina M	20 E Devon Ave		Elk Grove Village	IL	60007-3919	8479561350
Kbdb Enterprises LLC / Bailey, Kayley M / Bailey, Derek M	201 W North Ave		Flora	IL	62839-1615	6186628547
FNC Restaurant Group LLC	2 S US Highway 12		Fox Lake	IL	60020-1745	8475877013
Ptl Inc / Svehla, Michael J / Nommensen, Sandra J	401 N Riverside Dr Ste 20		Gurnee	IL	60031-5906	8472445283
Harrisburg Sweets LLC / Kuppart, Julie A / Davidson, Jamie L	605 S Commercial St		Harrisburg	IL	62946-2345	6182526032
Homewood Ice Cream Inc / Welsh, Kevin A	1700 Ridge Rd		Homewood	IL	60430-1833	7087989103
Dreher, Vernon C	205 S Rand Rd		Lake Zurich	IL	60047-2281	2246775090
Jusbro Inc / Taylor, Todd W	17856 Torrence Ave		Lansing	IL	60438-1836	7088955670
Dreher, Vernon C	502 S Milwaukee Ave		Libertyville	IL	60048-2823	8473621041
Metaxia Enterprises Inc / Werner, Scott A / Welsh, John P / Welsh, Metaxia M / Adkins, Sandra K	916 Woodlawn Rd		Lincoln	IL	62656-1462	2177327860
Roy and Roy LLC / Neally, Joel D / Neally, Kirk M	936 W Jackson St		Macomb	IL	61455-2016	3098334300
CJ Scotts Inc / Scott, Cory A / Scott, Jackie E / Scott, Jake A	2120 53rd St		Moline	IL	61265-3652	3097976210
Udderly Delicious LLP / Kriewaldt, Joy / Andrea, Gwen	712 S Lake St		Mundelein	IL	60060-3633	8475668560
RKW LLC / Wagner, Robert K	Ron Shopping Center	7011 W Dempster St	Niles	IL	60714-2130	8475810094
Foote, Michael B / Foote, Gayla	1117 N Main St		Paris	IL	61944-8300	2174633230

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Ng2 Inc / Malarski, Jeffrey T / Sunderland, Stephen S / Siciliano, Thomas F / Potratz, Daniel	2 Devon Ave		Park Ridge	IL	60068-5510	8476983201
Jt Wright LLC / Wright, Joann M	615 N Main St		Princeton	IL	61356-1328	8158721721
Siya & Angel Inc / Patel, Balbhadrakumar H / Patel, Yamini B	1103 Klein Ave		Rantoul	IL	61866-2607	2178928071
Renshaw, David L	1105 E Main St		Robinson	IL	62454-3724	6185447410
Judith K Myers Living Trust / Myers, Judith K	1109 W Rock Falls Rd		Rock Falls	IL	61071-2734	8156252833
Jordy Inc / Ramirez, Lily B	2320 N Bloomington St		Streator	IL	61364-1392	8156733636
J Hill Enterprises LLC / Hill, Jennifer J	401 W Springfield Rd		Taylorville	IL	62568-1249	2178248322
Janvi Corporation / Patel, Saurabh M	Park Center	15946 Harlem Ave	Tinley Park	IL	60477-1610	7084444091
Warner, Dana M / Warner, Jason J	1413 N 8th St		Vandalia	IL	62471-1028	6182830160
Pre Corporation Inc / Chung, Young Hee / Chung, Jong C	119 Town Line Rd		Vernon Hills	IL	60061-1424	8476807270
Dreher, Vernon C	306 S Main St		Wauconda	IL	60084	8474698739
DQ of Wilmette / Buck, Stanley B	3510 Lake Ave		Wilmette	IL	60091-1063	8472518727
Mclaughlin, Jerome C / Mclaughlin, Mercedita A	716 Green Blvd		Aurora	IN	47001-1506	8129263027
Martin, Dale L / Martin, Alisa K	305 North US Hwy 31		Austin	IN	47102-1799	8127942332
Linn/Griffin Inc / Linn, Mick C / Griffin, Michael / Griffin, Stephanie	7574 Beechwood Centre		Avon	IN	46123	3172724667
Jlb Scoop Inc / Mccord, Leslie M / Mccord, Barbara J	2423 S Walnut		Bloomington	IN	47401-6564	8123342423
Thomas, Jerald R	20 S Union St		Brazil	IN	47834-2454	8124437591
Apetayl Treats LLC / Taylor, Todd W / Taylor, April D	1249 Broadway		Chesterton	IN	46304-2152	2199265110
Kevin Hitzeman, Incorporated / Hitzeman, Kevin L	10880 Randolph St		Crown Point	IN	46307-9406	2196626090
Ice Cream Shoppe of Danville LLC / Kleiner, Lee M	101 E Main St		Danville	IN	46122-1819	3177452539

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
ABSY Treat Inc / Patel, Balbhadrakumar H / Patel, Yamini B	10560 E 96th St		Fishers	IN	46037-9643	3175850517
HPO Foods LLC / O'Neil, Patrick M / O'Neil, Holly R	7103 W Jefferson Blvd		Fort Wayne	IN	46804-6235	2604368141
Fortell Enterprises LLC / Forbing, Chris M	Glenbrook Square	4201 Coldwater Rd Ste 429	Fort Wayne	IN	46805-1186	2604848140
Keyami Gary Inc / Panchal, Vinay S	3516 Broadway		Gary	IN	46408-1503	2198871361
Hestand, Richard / Hestand, Beverly	601 W Main St		Greenwood	IN	46142-2021	3178880282
Keepin It Sweet Inc / Schwartz, Beth Ann	6642 Kennedy Ave		Hammond	IN	46323-1544	2198442755
Dennis Hoyda Inc / Hoyda, Dennis J	3339 45th St		Highland	IN	46322-3211	2199244510
Shawmak Enterprises Inc / Kline, Neil R / Kline, Melody B	1005 Etna Ave		Huntington	IN	46750-3634	2603568341
Spears, Michael D	3826 English Ave		Indianapolis	IN	46201-4555	3173579455
Malka LLC / Jacobs, Marlene Glanzman	1024 Fletcher Ave		Indianapolis	IN	46203-1041	3176241024
Napier Management Inc / Napier, Joseph M	7639 S Meridian		Indianapolis	IN	46217-4257	3178884855
Clark, Thomas E	3740 Martin Luther King Jr St		Indianapolis	IN	46208-4155	3179201953
Woodward's Inc / Clark, Thomas E	2104 E 52nd St		Indianapolis	IN	46205-1408	3172533544
Phyl Corporation / Schuetter, Gerald A / Stenftenagel, Phyllis J	606 W 6th St		Jasper	IN	47546-2627	8124822766
Ohana 8 Inc / Vinyard, Theodore L / Vinyard, Marybeth	1409 Lincoln Way		La Porte	IN	46350-3105	2193265454
Apetayl Treats LLC / Taylor, Todd W / Taylor, April D	2433 Ripley St		Lake Station	IN	46405-2301	2199622355
Jecar Inc / Whitaker, Jeffrey T / Whitaker, Carolyn C	2005 N Lebanon		Lebanon	IN	46052-1508	7654821960
Dionne, Marcus L	751 Jefferson Ct		Madison	IN	47250-3406	8122656307
Conner's Inc / Conner, Viccie W / Francis, Natalie A	6849 Broadway		Merrillville	IN	46410-3533	2197361623
Trevisol, Daniel T / Trevisol, Sharon R	7305 Taft St		Merrillville	IN	46410-4548	2197697377

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
JD Restaurants Inc / Reasner, David P / Reasner, Brent C	798 S 10th St		Noblesville	IN	46060-3502	3177735519
Linn/Griffin Inc / Linn, Mick C / Griffin, Michael / Griffin, Stephanie	325 W Main St		Plainfield	IN	46168-1135	3178396809
Frey Ice Inc / Frey, Patrick R / Frey, Lisa M	6255 Central Ave		Portage	IN	46368-3725	2197624055
Williamson, Jed A / Williamson, Dorothy L	1403 N Meridian		Portland	IN	47371-1030	2607268240
Jay Maa Bahuchar Inc / Patel, Sanket B / Patel, Baldevbhai N / Patel, Mahendra A / Patel, Pravin B / Patel, Urmilaben A	1018 S 9th St		Richmond	IN	47374-6239	7659660935
Jay Maa Bahuchar Inc / Patel, Sanket B / Patel, Baldevbhai N / Patel, Mahendra A / Patel, Pravin B / Patel, Urmilaben A	1700 W National		Richmond	IN	47374-3864	7659351685
Jay Maa Bahuchar Inc / Patel, Sanket B / Patel, Baldevbhai N / Patel, Mahendra A / Patel, Pravin B / Patel, Urmilaben A	837 N 10th St		Richmond	IN	47374-2362	7659625714
Henry, Terri L	316 E Tipton St		Seymour	IN	47274-3514	8125229746
JD Restaurants Inc / Reasner, David P / Reasner, Brent C	1614 E Michigan Rd		Shelbyville	IN	46176-1890	3173986015
Happy Krupa Indiana Inc / Patel, Urmilaben A	1331 N 13th St		Terre Haute	IN	47807-1651	8122323547
Happy Krupa Indiana Inc / Patel, Urmilaben A	3201 E Wabash Ave		Terre Haute	IN	47803-1519	8122323757
Apetayl Treats LLC / Taylor, Todd W / Taylor, April D	366 W US Highway 6		Valparaiso	IN	46385-7972	2197631400
JD Restaurants Inc / Reasner, David P / Reasner, Brent C	206 N State Rd 3		Westport	IN	47283-9299	8125912452
Love's Travel Stops & Country Stores Inc / Love, Tom E / Love, Gregory M / Love, Frank C / Love, Judith M / Meyer, Jennifer L / Cameron, Laura L	200 Washington St		Ellis	КS	67637-2130	7857262528
We R Cool Inc / Reed, Russell A	1710 W 6th St		Emporia	КS	66801-2409	6203425887
Brungardt, Michael / Brungardt, W Diane	114 W Kansas Ave		Garden City	КS	67846-5419	6202767022
Lunsford, Candi M	2302 N Main St		Great Bend	KS	67530-2554	6207938961
Copper Coin Inc / Pinney, Jeffery R / Pinney, Jana L	1226 E 27th St		Hays	КS	67601-2106	7856253027
Shaban, Radwan A	12 E 3rd St		Hutchinson	КS	67501-6901	6206625791
LB&J's Corporation / Baker, James W / Baker, Laura B	323 S State St		Iola	КS	66749-3149	6203653691

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
G M Miller Enterprises Inc / Miller, Greg M	7580 W 151st St		Overland Park	KS	66223-2224	9138511850
Buster, Robert	321 N 9th St		Salina	KS	67401-2113	7858236109
Fast N Friendly LLC / Anwar, Muhammad / Quddus, Abdul	11904 Shawnee Mission Pkwy		Shawnee	KS	66216-1865	9139625151
G & A Corporation / Swickard, Michael F / Zwiesler, John F	2026 NW Topeka Blvd		Topeka	KS	66608-1829	7852338735
B A Enterprises Corporation / Swickard, Michael F / Zwiesler, John F	1700 SW Medford Ave		Topeka	KS	66604-3192	7853547626
B A Enterprises Corporation / Swickard, Michael F / Zwiesler, John F	1725 SE 29th St		Topeka	KS	66605-2514	7852663456
Barrett, Richard D	849 S Poplar		Wichita	KS	67211-2832	3166867177
Schultzfive LLC / Schultz, Gary D / Schultz, Karolyn K / Schultz, Keaton E	Towne East Square	7700 E Kellogg Dr	Wichita	KS	67207-1772	3166865957
Noll, John	3220 Decoursey Ave		Covington	КҮ	41015-1233	8592612225
JHS Holdings LLC / Sims Jr, John Hanson	133 E Water St		Flemingsburg	КҮ	41041-1331	6068493030
Coughlin, John Sidney / Coughlin, Karen / Young, Terry J / Young, Susan K	839 S Main St		Madisonville	КҮ	42431-3045	2708216724
Kemp, Hal T / Kemp, Leslie F	1303 Main St		Murray	КҮ	42071-1822	2707534925
Delong Jr, Teddy / Delong, Stephen Craig	906 Broadway St		Paintsville	КҮ	41240-1406	6067895400
Tyl LLC / Woodfin, Susan A / Woodfin, Richard D	6507 Airline Hwy		Metairie	LA	70003-5113	5047333989
Lavergne Enterprises LLC / Lavergne, Dennis / Lavergne, Ellie	222 W Landry St		Opelousas	LA	70570-5169	3379423987
Mack Hill Inc / Hill, Shirley S / The George H Hill Trust	335 Center Ave		Abington	MA	02351-2209	7818789753
Beverly ICA LLC / Mcgrath Iv, David J / Mcgrath, James P / Mcgrath, Kevin J	479 Cabot St		Beverly	MA	01915-2536	9789271249
Deftos, Marion T / Deftos, Daniel F / Deftos, Thomas J / Crisona, Ronald P	1138 N Main St		Brockton	MA	02301-1546	5085832487
Sweet Tooth Shoppes Inc / Hill, Shirley S / The George H Hill Trust	344 Belmont St		Brockton	MA	02301-4941	5085839813
Porter Enterprises Inc / Porter, David / Porter, Mark	655 High St		Clinton	MA	01510-1213	9783655750

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Ckv Ice Cream Inc / Celeste, Christopher / Kramer, Nancy J	242 Main St		Edgartown	MA	02539-0158	5086275001
Toomey, James Michael	829 Main St		Falmouth	MA	02540-3657	5085400669
Erebor Inc / Traiforos, Anthony G / Traiforos, Annie R	143 River St		Fitchburg	MA	01420-3025	9783437520
Ipswich ICA LLC / Mcgrath Iv, David J / Mcgrath, James P / Mcgrath, Kevin J	158 High St		lpswich	MA	01938-1248	9783565599
Grafos Inc / Traiforos, Zoi	49 E Main St		Marlborough	MA	01752-2609	5084850850
Ice Works Inc / Deady, Robert B / Deady, Janice C	914 Webster St		Marshfield	MA	02050-3419	7818374150
Middleboro Dairy Queen Inc / George D Pennini Living Trust/ Pennini, George D (Trustee)	7 E Grove St		Middleboro	MA	02346-1896	5089470192
Middleton ICA LLC / McGrath, David J / McGrath, James P / McGrath, Kevin J	250 S Main St		Middleton	MA	01949-2437	9783041627
Natick Dairy Queen Inc / Porter, David F / Porter, Elizabeth M	323 N Main St		Natick	MA	01760-1118	5086553839
Chew Enterprises Inc / Chew, David	652 Washington St		Quincy	MA	02169-7334	6177703920
Dara Foods Inc / Dimacopoulos, Theodore	917 Rte 28		South Yarmouth	MA	02664-5643	5083949535
Ice Cream Adventures LLC / Mcgrath Iv, David J / Mcgrath, James P / Kevin J Mcgrath Irrevocable Trust	18 Summer St		Westborough	MA	01581-1524	5083665900
R & R Dairy Manufacturing Co Inc / Brennan, Catherine Ann / Reilly-Edwards, Sheila M / Rennie, Carolyn R (Estate) / Gilman, Dianne M	226 Main St		Weymouth	MA	02188-2811	7813359546
4-M Enterprises Inc / Mclaughlin, David C / Pitcher, Marchel C	White Marsh Mall	8200 Perry Hall Rd Space 2370	Baltimore	MD	21236-5040	4109339302
Gtm Sweet Treats LLC / Carson, Adam D	1510 Conowingo Rd		Bel Air	MD	21014-1879	4108386608
Wyatt, Susan H	Rte 50 320 Sunburst		Cambridge	MD	21613-2506	4434776330
YSCL Inc / Cheng, Chung Hai / Li, Li	65 Kent Town Market		Chester	MD	21619-2632	4106042950
Rice Sr, Gary C / Rice, Jean E / GCR LLC / Rice Jr, Gary C	F S K Mall	5500 Buckeystown Pk	Frederick	MD	21703-8330	3016621588
Taylor, Roy / Taylor, Barbara	1293 Riverbend Way		Frederick	MD	21701-9350	3016624440
Ganesh Kruppa LLC / Patel, Chandrakant J / Patel, Hemlattaben C	12603 Wisteria Dr		Germantown	MD	20874-5390	3016013007

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Bri-Lyn Inc / Clopper, Gregory L / Clopper, Dina J	824 Dual Hwy		Hagerstown	MD	21740-5911	3017338486
4-M Enterprises Inc / Mclaughlin, David C / Pitcher, Marchel C	Valley Mall	17301 Valley Mall Rd Ste 597	Hagerstown	MD	21740-8313	3015823291
Jal Enterprises Inc / Lewandowski, James A / Lewandowski, Laurie A	2019 Veirs Mill Rd		Rockville	MD	20851-1824	3018387688
TaileeDQ Inc / Cao, Qing Yue / Lee, Eddie / Cao, Qing Yan / Wu, Ya Qi	1 Magna Way		Westminster	MD	21157-3008	4108712537
Augusta Soft Serve LP / Thorne, Thomas N / Thorne, Christopher N / Smith, Jay A / Ross, Gary M / Policow, Ellen M	100 Bangor St		Augusta	ME	04330-4341	2076231508
Klm Freeport / Hannon, Larry, R / Hannon, Kathleen, M / Hannon, William / Hannon, Ruth	668 Broadway		Bangor	ME	04401-3362	2073077169
Wolfahrt, Dean	447 Elm St		Biddeford	ME	04005-4114	2075714304
Ice Coast Inc / Thorne, Thomas N / Thorne, Christopher N	511 Wilson St		Brewer	ME	04412-1414	2079895164
Dube, John P / Dube, Deborah M	1 York St		Kennebunk	ME	04043-7109	2079853050
Foss & Daughters LLC / Foss, Ruth M / Mariello, Kerry F	12 Old Orchard St		Old Orchard Beach	ME	04064-2224	2079345635
517 Main Street Assoc / Hadiaris, Leon	517 Main St		Saco	ME	04072-1564	2072821963
Titherington, Rachel E	1012 Main St		Sanford	ME	04073-3617	2073248167
Foss Cash Corner Enterprises LLC / Foss-Dutremble, Robin	317 Main St		South Portland	ME	04106-5514	2077990568
Chute, James J	59 Main St		Topsham	ME	04086-1203	2077290233
Christopher N / Waterville Partners Soft Serve LLC / Smith, Jay A / Ross, Gary M /	161 College Ave		Waterville	ME	04901-5723	2076163321
WaiterWinE <sup>l</sup> SOL <sup>®</sup> Serve Lp / Solt Serve Treats Inc / Thorne, Thomas N / Thorne, Christopher N / Waterville Partners Soft Serve LLC / Smith, Jay A / Ross, Gary M / Policow, Ellen M	13 Kmd Plz		Waterville	ME	04901-4554	2078722220
Dube & Dube Company Inc / Dube, John P / Dube, Deborah M	Wells Corner Shopping Center	1517 Post Rd	Wells	ME	04090-4519	2076468212
Frozen Great Lakes LLC / Kleemann, Erica J / Gunderson, George E	8143 S US 31 Hwy		Alanson	МІ	49706-9553	2315488888
River Road Investment LLC / Manjo, Natheer S / Manjo, Doraid S	1307 Saint Clair River Dr		Algonac	МІ	48001-1460	8107947000
Hughesicecream LLC / Hughes, Lauren D	17446 Ecorse Rd		Allen Park	МІ	48101-2241	3134006992

	List of Franchised Locat	tions				
Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Vulture LLC / Williams, Michael J / Draeger, Joseph	5053 Lake Michigan Dr Ste A		Allendale	MI	49401-9479	6168952257
Teambays Inc / Bays, Scott P / Bays, Amber D	600 W Chisholm St		Alpena	MI	49707-2427	9893547056
Cohen's Creamery Inc / Cohen, Gary L / Cohen, Joan E	1805 Packard St		Ann Arbor	МІ	48104-4458	7346655588
Ignasiak Enterprises LLC / Ignasiak, Michael J / Ignasiak, Susan M	2430 W Stadium Blvd		Ann Arbor	МІ	48103-3843	7346637361
Briansquared LLC / Reaver, Brian R / Reaver Jr, Brian R	Walton Village Plaza	3053 E Walton Blvd	Auburn Hills	MI	48326-2369	2483771590
Marchelletta, Marco J / Marchelletta, Carol J	Great Lakes Crossing	4268 Baldwin Rd Ste 550	Auburn Hills	МІ	48326-1268	2487450849
Baldwin DPL Enterprises LLC / Lewellyn, David P / Lewellyn Jr, David / Lewellyn, Karen S	695 Michigan Ave		Baldwin	МІ	49304-7130	2317457621
Champlin, Raymond / Champlin, Altagracia	283 Main St		Battle Creek	МІ	49014-4356	2692246192
Toad Four LLC / OFS Holdings Corp / Barr, Kurt James / Barr, Katharine Lee	3491 12 Mile Rd		Berkley	МІ	48072-1345	2485455300
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	6622 Telegraph Rd		Bloomfield	МІ	48301-3012	2485391750
Brighton Dairy Queen Inc / Eichen, David C / Eichen, Tina M	321 Grand River Ave W		Brighton	MI	48116-1656	8102299640
Brownstown Ice Cream Inc / Khan, Rashid M / Khan, Rabia B	23127 Telegraph Rd		Brownstown	MI	48134-9027	7346921000
Edmonds, Charles N / Edmonds, Cynthia L	G4145 S Saginaw St		Burton	MI	48529-1641	8107443590
Cadillac Treats LLC / Kovacic, Todd E / Kovacic, Catherine A	901 S Mitchell St		Cadillac	MI	49601-2515	2317754602
Hawk Delights LLC / Haidar, Miriam / Hamade, Wael	266 N Canton Center Rd		Canton	MI	48187-2902	7349815912
Ar Frederick LLC / Frederick, Randy D	6395 Main St		Caseville	МІ	48725-9597	9898562534
Roberts Services of Charlotte LLC / Roberts, Brett D / Roberts, Megan E	407 S Cochran Ave		Charlotte	МІ	48813-2247	5175439331
Lake Area Restaurants Inc / Hickling, Nathan P / Davis, Sheldon H / Watkins, Robert D	1599 Union Lake Rd		Commerce Twp	MI	48382-2239	2483638717
The Campbell Company LLC / Campbell, Henry N / Campbell, Stephanie J / Campbell, Bondetta V	Fairlane Town Center	18900 Michigan Ave Ste H116	Dearborn	МІ	48126-3943	3132714730
Sistydh Enterprises Inc / Sisty, Danielle L / Sisty, Andrew S	22402 Ford Rd		Dearborn Heights	MI	48127-2422	3132743764

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Tefend's Tasty Treats Inc / Tefend, Fred W / Tefend, Beverly J	8316 N Telegraph		Dearborn Heights	MI	48127-1435	3135619333
Vigilanti, Carol	6677 Michigan Ave		Detroit	МІ	48210-2825	3138986433
9151 Investment LLC / Hamad, Atef Ragheb	9151 Wyoming St		Detroit	МІ	48204-4919	3136462521
10234 Investments LLC / Hamad, Atef Ragheb	24671 Grand River W		Detroit	МІ	48219-3006	3135381570
Hoelzer Family Restaurant LLC / Hoelzer, Michael W	8041 Main St		Dexter	МІ	48130-1027	7344268647
Kadouh Brothers LLC / Kadouh, Hassan Christopher / Kadouh, Hussain Mark	1980 River Rd		East China	МІ	48054-1594	8103293539
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	22290 Middlebelt Rd		Farmington Hills	МІ	48336-4935	2484783753
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	34414 W 8 Mile Rd		Farmington Hills	МІ	48335-5101	2484719771
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	33326 12 Mile Rd		Farmington Hills	МІ	48334-3311	2483240298
Meyer, Spencer M / Meyer, Susan L	941 W 9 Mile Rd		Ferndale	MI	48220-1266	2485917448
BH Queen Enterprises LLC / Hooks, Brandi L	28918 Telegraph Rd		Flat Rock	МІ	48134-1514	7347829838
Fraser Family Restaurants / Watkins, Robert D / Davis, Sheldon H	34513 Utica Rd		Fraser	МІ	48026-3576	5862931505
M Manjo Inc / Savaya, Majida Z / Manjo, Monica G	28825 Ford Rd		Garden City	МІ	48135-2845	7344277850
Dukus Dairy Inc / Dukus, Gary M / Dukus, Kari A	30030 S Gibraltar Rd		Gibraltar	МІ	48173-9473	7346756088
Edmonds, Charles N / Edmonds, Cynthia L	2251 E Hill Rd		Grand Blanc	МІ	48439-5068	8106957602
Griffin, James	1138 Walker Ave NW		Grand Rapids	МІ	49504-4063	6164569393
THKH Inc / Nguyen, Huy T / Vo, Hang K / Brewer, Stacey L	Rivertown Crossing	3700 Rivertown Pkwy SW #2072	Grandville	МІ	49418-3090	6165340879
Gmcc Inc / Cohen, Gary L	305 S James St		Grayling	МІ	49738-1817	9893441328
Jayveer 1 Inc / Patel, Jay J	1015 W Washington St		Greenville	МІ	48838-2617	6167544438
Indigo Treat Investments LLC / Gilbert, Julie A / Ignasiak, Terrance A	3187 N Clare Ave		Harrison	МІ	48625-8245	9895397555

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Hartland Ice Cream Inc / Eichen, David C / Eichen, Tina M	10500 Highland Rd		Hartland	МІ	48353-2639	5173024961
Lake Area Restaurants Inc / Hickling, Nathan P / Davis, Sheldon H / Watkins, Robert D	2330 S Milford Rd Ste 100		Highland	МІ	48357-4982	2486849796
Painter, Daniel W / Painter, Susan M	410 State St		Hillman	МІ	49746-7999	9897424022
Kytta Enterprises Inc / Kytta, Kenneth D	Huron Centre	902 Razorback Dr, Ste 12	Houghton	МІ	49931-2802	9064830707
TC Acquisitions Inc / Chuba, Robert M / Tobis, Richard	112 E Grand River Ave		Howell	МІ	48843-2252	5175465030
Almira LLC / Kadouh, Mike M	26706 Michigan Ave		Inkster	МІ	48141-2330	3136526838
Angott, Greg L / Angott, Sherry L	106 N Elm Ave		Jackson	МІ	49202-3572	5177840085
DQ of Kalamazoo Inc / Vanwagoner, Shamra M	3130 Lovers Ln		Kalamazoo	МІ	49001-3738	2693823002
DQ of Kalamazoo Inc / Vanwagoner, Shamra M	1040 W Michigan Ave		Kalamazoo	МІ	49006-4523	2693432752
DQ of Kalamazoo Inc / Vanwagoner, Shamra M	3300 Gull Rd		Kalamazoo	МІ	49048-1236	2693835585
Alliance Investment Corporation / Williams, Heath C / Williams, Danine	2886 Orchard Lake Rd		Keego Harbor	МІ	48320-1453	2486829250
K & H Foods LLC / Dhar, Suranjeeta / Pathak, Harshilbhai	1083 S Lapeer Rd		Lake Orion	МІ	48360-1429	2488140747
Karkau, Leif A	3906 S Cedar St		Lansing	МІ	48910-4504	5178820611
HMFIC LLC / Karkau, Leif A / Karkau, Kathy R / Karkau, Angela R	3233 W Saginaw St		Lansing	МІ	48917-2300	5177088649
Strong Ice Cream LLC / Strong Jr, Richard W	2356 Dix Rd		Lincoln Park	МІ	48146-2266	3133864311
Sistylp Enterprises Inc / Sisty, Danielle L / Sisty, Andrew S	3134 Fort St		Lincoln Park	МІ	48146-3602	3133826450
Nelson, Richard F / Nelson, Jane	66 S Pere Marquette Hwy (31)		Ludington	МІ	49431-2442	2318455611
Store # 40608 LLC / Cordaro, Robert J	29371 Dequindre Rd		Madison Heights	МІ	48071-2664	2483996233
JNM Operations LLC / Tilmann II, Michael D / Tilmann, Jennifer A	376 1st St		Manistee	МІ	49660-1752	2318874627
Kadouh Brothers LLC / Kadouh, Hassan Christopher / Kadouh, Hussain Mark	236 Fairbanks St		Marine City	МІ	48039-1534	8107655096

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Michigan Center Ice Cream LLC / Angott, Greg L / Angott, Sherry L	224 5th St		Michigan Center	МІ	49254-1102	5177643043
Kenningston Soft Serve Inc / Laclair, Robert A / Laclair, Janice	2020 S Milford Rd		Milford	МІ	48381-3146	2486840930
Patrick, Michael J / Patrick, Sandra L	353 N Gratiot Ave		Mount Clemens	МІ	48043-5781	5864687061
Mm Wagner Corporation / Wagner, Michael W / Wagner, Margaret M	210 S Mission St Ste A		Mount Pleasant	мі	48858-2841	9897734700
Dickenshied, Patrick J / Dickenshied, Lisa M	221 W Munising Ave		Munising	МІ	49862-1235	9063871800
New Baltimore Treats Inc / Abro, Mouhannad M / Abro, Martin M	35654 Green St		New Baltimore	МІ	48047-2454	5867259779
Russo and Russo LLC / Russo, William F / Russo, Deborah A / Russo, Dominick M	1445 Oak St		Niles	МІ	49120-3629	2696835852
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	41490 Grand River Ave Ste E		Novi	МІ	48375-1868	2484491766
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	48955 Grand River Ave	Suite 200	Novi	мі	48374-1275	2484807778
Jennings, George J / Jennings, Shauna J	100 N State St		Oscoda	МІ	48750-1714	9897390884
Ignasiak, Gary R / Ignasiak, Pamela Ann / Ignasiak, Ryan M	1525 Baldwin Ave		Pontiac	МІ	48340-1109	2483388636
DQ of Kalamazoo Inc / Vanwagoner, Shamra M	309 E Centre Ave		Portage	мі	49002-5504	2693218766
461 West Houghton Lake LLC / Ignasiak, Terrance A / Gilbert's Ice Cream Treats LLC / Gilbert, Julie A	961 W Houghton Lk Dr		Prudenville	мі	48651-9668	9893665129
Ignasiak, Susan Marie / Ignasiak, Gary R / Ignasiak, David R	145 E Chicago St		Quincy	МІ	49082-1165	5176399515
Kadouh Brothers LLC / Kadouh, Hassan Christopher / Kadouh, Hussain Mark	68020 S Main St		Richmond	МІ	48062-1331	5867272146
Msmap Inc / Phillips, Mark A	10940 W Jefferson Ave		River Rouge	МІ	48218-1253	3132977737
Keller, Kurt S	743 N Main St		Rochester	МІ	48307-1434	2486513989
Sjm Development LLC / Girgis, Sohail D / Gohl, John W / Daoud, Matthew O	268 S Main St		Romeo	мі	48065-5131	5867527321
Evergreen Northern Market LLC / Buschbacher, Matthew M / Buschbacher, Mary Jo	9961 N Higgins Lake Dr		Roscommon	МІ	48653-9091	9898215425
Consumption Inc / Eichen, David C / Eichen, Tina M	3201 Rochester Rd		Royal Oak	МІ	48073-3506	2485892422

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Hope, Elizabeth A / Hope, Thomas A	26135 Harper Ave		Saint Clair Shores	MI	48081-2201	5867780950
Mjpi Enterprises Inc / Ignasiak, Michael J / Ignasiak, Susan M	400 E Michigan Ave		Saline	МІ	48176-1501	7344294830
Soo Sundaes LLC / Fox, Julie M	2100 Ashmun St		Sault Sainte Marie	МІ	49783-3703	9066350371
Store #13283 LLC / Cordaro, Robert J	52869 Hayes Rd		Shelby Township	MI	48315-2522	5862474498
Store 40414 LLC / Cordaro, Robert J	54804 Shelby Rd		Shelby Township	МІ	48316-1445	2486563881
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	22253 Pontiac Trl		South Lyon	МІ	48178-1639	2484864953
Glenn Paquette Inc / Paquette, Glenn A	13132 Eureka Rd		Southgate	МІ	48195-1346	7342859155
Marcelino Inc / Bahri, Usam S / Bahri, Leila A	33170 Ryan Rd		Sterling Heights	МІ	48310-6478	5867953169
Mgcc Inc / Cohen, Gary L	1764 US Hwy 31 N		Traverse City	MI	49686	2319380441
CCTC Inc / Cohen, Gary L / Cohen, Joan E	Grand Traverse Mall	3200 S Airport Rd W Ste 612	Traverse City	МІ	49684-8054	2319354333
Tefend, Fred W / Tefend, Beverly J	1614 West Rd		Trenton	MI	48183-2606	7346920620
Khammo & Alexander Inc / Khammo, Art A / Sesi, Yvonne Mary	6017 Rochester Rd		Troy	MI	48085-1303	2488790682
MARSO LLC / Pearse, Maria	Oakland Mall	316 W 14 Mile Rd	Troy	МІ	48083-4218	2485832575
Maple Treats Inc / Jajo, Thamir	2879 W Maple Rd		Troy	MI	48084-7014	2482887710
Farida Ventures Inc / Farida, David / Farida, Lori Ann	551 N Pontiac Tr		Walled Lake	МІ	48390-3442	2486244201
Consumption Inc / Eichen, David C / Eichen, Tina M	23515 Ryan Rd		Warren	МІ	48091-1929	5867572940
Cordaro Treats LLC / Cordaro, Robert J	Hoover Eleven Plaza	26633 Hoover Rd	Warren	МІ	48089-1157	5867559900
Leese, David E / Leese, Justine M	4683 Dixie Hwy		Waterford	МІ	48329-3519	2486740030
M59DQ LLC / Ignasiak, Gary R / Ignasiak, Pamela Ann / Ignasiak, Ryan M / Ignasiak, Garrett R	5608 Highland Rd		Waterford	МІ	48327-1926	2486738125
Mjp Group Inc / Petrou, Michael J / Petrou, Jennifer G	3007 Wayne Rd S		Wayne	МІ	48184-1218	7347291020

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Oakland Family Restaurants Inc / Hickling, Nathan / Davis, Sheldon H / Watkins, Robert D	6931 Orchard Lake Rd		West Bloomfield	МІ	48322-3416	2485384020
Jo Cool LLC / Kartes, Scott R	711 W Houghton Ave		West Branch	МІ	48661-1229	9893455600
Carole Campbell LLC / Campbell, Carole A	36520 Ford Rd		Westland	МІ	48185-3769	7345421020
Lake Area Restaurants Inc / Hickling, Nathan P / Davis, Sheldon H / Watkins, Robert D	10531 Highland Rd Ste 109		White Lake	МІ	48386-2145	2486982899
Lake Area Restaurants Inc / Hickling, Nathan P / Davis, Sheldon H / Watkins, Robert D	49062 Pontiac Trl		Wixom	МІ	48393-2565	2486696440
Shbaro Enterprises LLC / Stricklen, Shelly Lyn / Oaks, Susan L	101 Michigan Ave E		Ypsilanti	МІ	48198-5611	7344827374
D-Que Holdings Inc / Pedersen, Woodrow K / Pedersen, Cynthia M	907 N Nokomis		Alexandria	MN	56308-5125	3207636900
K & M of Bemidji Inc / Magnan, Ted / Magnan, Michael	700 Paul Bunyan Drive S		Bemidji	MN	56601-2439	2184442108
Stevens, Kevin J / Stevens, Jill	2214 Atlantic Ave		Benson	MN	56215-1001	3208433939
C & B Treats LLC / Lind, Bradley M / Sivert, Christopher J	8528 Central Ave NE		Blaine	MN	55434-3313	7637842160
Hendrickson Jr, Ronald L	Mall Of America	282 E Broadway	Bloomington	MN	55425-5512	9528588938
Brainerd Ice Box Investments Inc / Josephson, Todd W / Josephson, Rhonda K	12 Washington St		Brainerd	MN	56401-3340	2188294655
Mixell, Todd / Mixell, Marty	7749 Zane Ave N		Brooklyn Park	MN	55443-3120	7635605741
Carab LLC / Michaud, Thomas D / Michaud, Carrie L	8555 Edinburgh Center Dr		Brooklyn Park	MN	55443-3724	7634257100
Jh and Sons Enterprises Inc / Fowler, James S / Fowler, Heidi R	811 Main St S		Cambridge	MN	55008-2166	7636894298
Letness, Thomas E	3959 Central Ave NE		Columbia Heights	MN	55421-3932	7637817856
Lee, Tou Fue / Plaisted, Allen M / Gerry, Mark I	7175 80th St S		Cottage Grove	MN	55016-3004	6514595511
Loken Enterprises LLC / Nobles, Robbie A / Loken, Loren P	1740 University Ave		Crookston	MN	56716-1112	2182814421
Koltes Enterprises LLC / Koltes, Charles A / Adams-Koltes, Debra L	4431 Grand Ave		Duluth	MN	55807-2753	2186245702
Synergy Investments IV Inc / Martinson, Cary Brett	Eden Prairie Mall	8251 Flying Cloud Dr Ste 125	Eden Prairie	MN	55344-5392	9522531122

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Jamunlimited Inc / Martinson, Cary Brett	2290a Southdale Ctr	6601 France Ave So	Edina	MN	55435-7025	9529206811
Double Trouble Treats LLC / Vaubel, Scott A	1326 E Blue Earth Ave		Fairmont	MN	56031-4254	5072355005
Hendrickson & Associates Inc / Hendrickson, Charles / Hendrickson, Winnie	309 Lyndale Ave N		Faribault	MN	55021-4851	5073343700
Waska Treats Inc / Volkmann, Keith A / Volkmann, Jill O	243 Minnesota Ave W		Glenwood	MN	56334-1524	3206344956
Lommen, John D	7825 Medicine Lake Rd		Golden Valley	MN	55427-5008	7635421764
Plaisted, Allen M / Plaisted, Kathryn L / Gerry, Mark I / Gerry, Jane R	1205 Vermillion St		Hastings	MN	55033-2842	6514373370
Emanuel & Emanuel A Partnership / Emanuel, Dana L	615 W 41st St		Hibbing	MN	55746-3018	2182622444
Pettit, David A (Estate)	1800 Main St		Hopkins	MN	55343-7413	9529300202
Cowdin, Steven C / Cowdin, Susan R	106 E 1st St		Janesville	MN	56048-3001	5072345426
Rhjt Inc / Hundt, Ronald E / Tatge, Justin M	821 N Lakeshore Dr		Lake City	MN	55041-1122	6514488277
K&M Curls LLC / Velin, Michelle A-D / McCabe, Katie L	4131 Woodland Rd		Lexington	MN	55014-3529	7637864663
Lucky Treats LLC / Luedtke, David J / Luedtke, Teri J	1009 N Sibley Ave (Hwy 12)		Litchfield	MN	55355-1302	3206932001
Ninja Restaurants Inc / Doll, Nicholas D / Doll, Jacquelyn M	1012 Haven Rd		Little Falls	MN	56345-4491	3206326494
Smidt, Rita / Smidt, Gary	401 Country Club Dr		Marshall	MN	56258-1611	5075326404
March Enterprises LLC / Head, Martha M	4740 Minnehaha Ave		Minneapolis	MN	55406-3917	6127215400
Lee, Tou Fue	4400 E Lake St		Minneapolis	MN	55406-2302	6127212007
Schwick Inc / Gillen, Steven M / Gillen, Kristal D	3747 13th Ave S		Minneapolis	MN	55407-2709	6128222393
Dapaul Enterprises LLC / Phillippi, David P / Phillippi, Joanne E	710 Lowry Ave NE		Minneapolis	MN	55418-3622	6127888336
Wilson LLC / Michaud, Thomas D / Michaud, Carrie L	4719 Lyndale Ave N		Minneapolis	MN	55430-3637	6125212422
D F Austin Inc / Austin, Thomas D	6014 S Portland Ave		Minneapolis	MN	55417-3130	6128696171

List of	<sup>F</sup> Franchised	Locations
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Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Mpls Skyway DQ/OJ LLC / Lee, Tou F	US Bancorp Bldg	800 Nicollet Mall Ste 205	Minneapolis	MN	55402-7029	6123382232
Synergy Investments IV Inc / Martinson, Cary Brett	12940 Minnetonka Blvd		Minnetonka	MN	55343-6568	9529382981
Deleon, Troy L / Deleon, Diane R	24 S 8th St		Moorhead	MN	56560-2807	2182333221
Larson, Shelly Jo / St Polo LLC / Larson, Timothy J	409 Old Hwy 8 NW		New Brighton	MN	55112-3206	6516366560
Nos Treats Inc / Schilling, Nicholas S / Schilling, Olivia J	2200 Silver Lake Rd NW		New Brighton	MN	55112-5003	6516339728
Jp Taylor Inc / Martin, Katherine L / Kaneski, Lisa M	25312 Main St		Nisswa	MN	56468-5002	2189632163
Busterbarbob Inc / Manderfeld, Craig A / Manderfeld, Troy R / Svendsen, Robin M / Steele, Joni M	900 Highway 3 N		Northfield	MN	55057-1445	5076458912
Skthom Inc / Hinnenkamp, Shayna K	823 W Minnesota St		Paynesville	MN	56362-1122	3202434676
J & H Pine City Enterprises Inc / Fowler, James S / Fowler, Heidi R	1000 Main St S		Pine City	MN	55063-2012	3206293660
Cj Enterprises of Pipestone LLC / Popma, Corey M / Popma, Julie A	301 8th Ave SE		Pipestone	MN	56164-2045	5078253655
Plaisted, Allen M / Plaisted, Kathryn L / Gerry, Mark I / Gerry, Jane R	16 E 66th St		Richfield	MN	55423-2454	6128616151
Tacks of Minnesota LLC / Michaud, Thomas D / Michaud, Carrie L	4017 W Broadway Ave		Robbinsdale	MN	55422-2211	7635338072
His Management Group Inc / Goetzman, Daniel W / Goetzman, Jennifer M	3070 Lexington Ave N		Roseville	MN	55113-1916	6514819007
Rhjt Inc / Hundt, Ronald E / Tatge, Justin M	1739 Rice St		Roseville	MN	55113-6802	6514898900
Jtrh Inc / Hundt, Ronald E / Tatge, Justin M	1720 Lexington Ave N		Roseville	MN	55113-6514	6514894182
REWA Corp / Patel, Kishan N / Patel, Priya K	Rosedale Center	1595 Highway 36 W Space 722	Roseville	MN	55113-4094	6516362693
Hofmann, Keith / Hofmann, Jessica	2612 Hwy 88		Saint Anthony	MN	55418-3207	6127812429
Lahr, Gene G / Lahr, Barbara	24 25th Ave S		Saint Cloud	MN	56301-3919	3202523023
Hero Treats LLC / Mathisen, Jon R / Mathisen, Victoria L	Saint Francis City Center	23212 Saint Francis Blvd NW #1300	Saint Francis	MN	55070-2306	7639549340
Swanson Enterprises LLC / Swanson, Brian C	1312 7th Ave S		Saint James	MN	56081-2439	5073754820

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Ljsj LLC / Danielson, Lonnie D / Danielson, Julie K / Kinnunen, Sandra J	1537 White Bear Ave N		Saint Paul	MN	55106-1601	6517561535
Slavik, Johnathan P	1354 Maryland Ave E		Saint Paul	MN	55106-2812	6517767188
Plaisted, Allen / Plaisted, Tim	565 Earl St		Saint Paul	MN	55106-5238	6514931379
Hagert, Brenda L	32948 US Hwy 14		Sanborn	MN	56083-3053	5076483575
Kaianne Shakers Inc / Lyon, Holly / Hahn-Schultz, Misty	501 N Benton Dr		Sauk Rapids	MN	56379-1536	3202551697
Lee, Tou Fue	602 Southview Blvd		South Saint Paul	MN	55075-2344	6514518639
Starbuck's Cone Factory Inc / Anderson, Todd M	100 Main St		Starbuck	MN	56381	3202392615
Himmel LLC / Mcdonald, Seth A / Mcdonald, Carrieann M	530 7th Ave		Two Harbors	MN	55616-1452	2188344105
Roley, Richard C	110 W Fletcher Ave		Warren	MN	56762-1110	2187454209
Plaisted, Richard L / Plaisted, Gloria	3574 Shoreline Dr		Wayzata	MN	55391-9782	9524717845
Slavik, John	1110 S Robert St		West Saint Paul	MN	55118-1458	6514571535
Plaisted, Jeffery / Plaisted, Vicki L	4047 Hwy 61		White Bear Lake	MN	55110-4631	6514269034
Gamradt, Larry L / Gamradt, Jeanne M	1350 1st Ave		Windom	MN	56101-2010	5078311948
Gratitude Queen Restaurants LLC / Stickney, Tracy L	9529 Gravois Rd		Affton	мо	63123-4531	3146389529
Ayers Oil Corporation / Ayers, Robert E / Ayers, James W (Estate)	306 Highway 61 S		Hannibal	мо	63401-3643	5732218022
Ted's Treats Inc / Greis, R Ted / Greis, Donna L	Northpark Mall	101 N Range Line Rd, #290	Joplin	мо	64801-4118	4177821188
Truckstop Distributors Inc / Iowa 80 Group Inc / Meier, Delia Moon	4240 Highway 43		Joplin	мо	64804-8850	4176216157
Fast N Friendly LLC / Anwar, Muhammad / Quddus, Abdul	14420 E Highway 40		Kansas City	мо	64136-1189	8164788060
TA Operating LLC / Travelcenters of America LLC	301 SW 1st St		Oak Grove	мо	64075-9102	8166255164
Ashlock, Patricia L	3202 St Joseph Ave		Saint Joseph	мо	64505-1760	8162335495

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Ashlock, Patricia L	4105 S US Highway 169		Saint Joseph	мо	64503	8162329911
Stark Enterprises Inc / Stark, Eleanor M (Estate)	East Hills Shopping Center	3702 Frederick Blvd	Saint Joseph	мо	64506-3083	
Mmp Enterprise LLC / Paxton, Matthew B / Paxton, Michelle L	500 S Main St		Windsor	мо	65360-1861	6606473763
Refuel Operating Company LLC	1904 US Highway 52 N		Albemarle	NC	28001-8505	7049862822
Hamad, Summer / Hamad, Samer A	2610 W Fort Macon Rd		Atlantic Beach	NC	28512-5344	2527263039
Doerr Inc / Holian, Thomas G (Estate) / Doerr, Bradley W	39774 Hwy 12		Avon	NC	27915	2529865075
Refuel Operating Company LLC	520 E Main St		Biscoe	NC	27209-9779	9108284101
Circle K Stores Inc	2531 NC Highway 87 S		Cameron	NC	28326-7691	9194999712
Cason Companies Inc / Gould, John B	761 Champion Dr		Canton	NC	28716-3027	8286488517
Walters, Lacy / Walters, Blenda	2732 Wilkinson Blvd		Charlotte	NC	28208-5618	7043991385
Ayushi Foods Corporation / Ghetia, Amit K	3020 Prosperity Church Rd		Charlotte	NC	28269-7197	7045478886
Infinite Dream LLC / Sotoudehasl, Farshad / Nematzadeh, Reza	108B S Sharon Amity Rd		Charlotte	NC	28211-0200	7043679151
Peterson Jr, William P	1837 Southeast Blvd		Clinton	NC	28328-4753	9105921844
Shamim Inc / Bhonhariya, Abdulrahim N / Momin, Asim A / Momin, Maksudali M / Ali, Uzma I	Monteray Plaza Shopping Center	807 Ocean Trl	Corolla	NC	27927-9610	2525971708
Sadler Brothers Oil Company Inc / Sadler, Herman M	65 Sadler Rd		Dunn	NC	28334-5180	9108970123
Sweet Investments LLC / Moore, Thomas W / Moore, Ronald M / Williams, Leslie T / Willis, Stacey M	430 Westwood Shopping Center		Fayetteville	NC	28314-1532	9108604475
Refuel Operating Company LLC	6047 Camden Rd		Fayetteville	NC	28306-7209	9102235115
Refuel Operating Company LLC	8285 Cliffdale Rd		Fayetteville	NC	28314-5851	9102237447
Fuquay Treats LLC / Valkanoff, Andrew P / Valkanoff, Christina C	1408 N Main St		Fuquay Varina	NC	27526-8901	9195673738
Kausar Inc / Bhonhariya, Abdulrahim N / Momin, Maksudali M / Ali, Uzma I / Momin, Asim A / Momin, Aymanzahera	904 E Franklin Blvd		Gastonia	NC	28054-4242	7049171001

List of Franchised	Locations
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Franchisee Group	Address1	Address2	City	ST	Zip	Phone
SMZ Inc / Hamad, Samer A / Mansfield, Mark F	Market Place Shopping Center	1803 Wayne Memorial Dr Ste A	Goldsboro	NC	27534-2261	9197367774
Basily LLC / Basily, Maged R / Basily, Mary I	1708 Stanley Rd E		Greensboro	NC	27407-2741	3368515345
Bhonhariya, Abdulrahim N / Bhonhariya, Shamim A	120 W Main St		Havelock	NC	28532-2675	2526526465
Pilot Travel Centers LLC	1044 Jimmy Kerr Rd		Haw River	NC	27258-9626	3365781333
Burns, Patricia	1124 1st Ave SW		Hickory	NC	28602-2606	8283270236
Thomas, Laverne M (Estate)	200 Wilmington Hwy (Hwy 17 S)		Jacksonville	NC	28540-3506	9104552510
Corbitt Partners LLC / Meier, Delia Moon	923 Johnston Pkwy	Rental Unit #4	Kenly	NC	27542-7502	9195027044
Dairy Queen of The Outer Banks Inc / Overrun I LLC	109 E Ocean Bay Blvd		Kill Devil Hills	NC	27948-6918	2524802342
Circle K Stores Inc	1627 E Main St		Lincolnton	NC	28092-3946	7047353779
Refuel Operating Company LLC	1204 W Main St		Locust	NC	28097-8734	7047810468
SMZ Inc / Hamad, Samer A / Mansfield, Mark F	317 S Bickett Blvd		Louisburg	NC	27549-2701	9194961555
Anytable Inc / Lennon Iii, Wayland B	5030 Fayetteville Rd Ste B		Lumberton	NC	28358-2108	9106744557
Buster & Dill LLC / Mangum, Robert E / Mangum, Dana R	1819 Matthews Township Pkwy Ste 900		Matthews	NC	28105-1790	7048478085
2B3G LLC / Alexander, David W / Dailey, David Josh	223 Medical Park Rd		Mooresville	NC	28117-8542	7047990270
Kausar-Sara Inc / Bhonhariya, Abdulrahim N / Momin, Maksudali M / Ali, Uzma I	2401 Dr M L King Jr Blvd		New Bern	NC	28562-4423	2526376457
Hamad, Samer A	NC Aquarium	1 Roosevelt Blvd	Pine Knoll Shores	NC	28512-6813	2522220201
Fresh Starts LLC / Hamad, Samer A	Brier Creek Commons	8321 Brier Creek Pkwy Ste 101	Raleigh	NC	27617-7327	9194842230
Happy Treats Inc / Cloninger, Jeanna B	110 W Broad Ave		Rockingham	NC	28379-3670	9108955386
Circle K Stores Inc	2204 Jefferson Davis Hwy		Sanford	NC	27330-8972	9197777255
Refuel Operating Company LLC	1035 S Knoll Rd		Southern Pines	NC	28387-6141	9106951994

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
One Ganesh Ventures LLC / Patel, Devak Pranav	12271 Capital Blvd		Wake Forest	NC	27587-6200	9195542564
Doerr Inc / Holian, Thomas G (Estate) / Doerr, Bradley W	25199 Lela Ct		Waves	NC	27982	2529875061
Womble, Harry G (Estate)	1608 White Lake Dr		White Lake	NC	28337-9649	9108624064
Berawi LLC / Hamad, Belal	3800 Nash St N		Wilson	NC	27896-1121	2522340336
Gf Washington Inc / Johnston, Terry L	1205 S Washington St		Grand Forks	ND	58201-5432	7017755422
R & L Hospitality of Beulah Inc / Leonard, Herbert Losson	Dakota Square Mall	2400 10th St SW	Minot	ND	58701-2013	7018398074
Rspc Inc / Pleskac, Charles J / Pleskac, Rita M / Pleskac, Paul J / Pleskac, Shelly A	3835 South St		Lincoln	NE	68506-5237	4024898368
PDQ Inc / Pierce, Michael J	345 S Washington St		Papillion	NE	68046-2439	4023398510
MOOLA LLC / Flanders, Brian S / Flanders, Mariluz C	1126 Union Ave		Laconia	NH	03246-2127	6035242253
Dion, David C	The Mall Of New Hampshire	1500 S Willow St	Manchester	NH	03103-3220	6032326288
Minas Tirith Inc / Traiforos, Anthony G / Traiforos, Annie R	80 Premium Outlets Blvd, Ste 353	Merrimack Premium Outlets	Merrimack	NH	03054-4766	6034247223
Udder Ecstasy Corp / White, Lynn C	Pheasant Lane Mall	310 Daniel Webster Hwy F-101	Nashua	NH	03060-5730	6038884602
Cow Enterprise of Salem Corp / White, Lynn C	Mall T Rockingham Park	99 Rockingham Park Blvd	Salem	NH	03079-2900	6034753118
Two Queens LLC / Dion, Michael D / Dion, Bianca T	585 W Main St		Tilton	NH	03276-5014	6032863205
Kalima Inc / La Fata, James / Kulig, Katarzyna D	6370 Coors Rd NW		Albuquerque	NM	87120-2710	5058973322
Koontz Ice Cream LLC / Koontz, Kristina M / Koontz, Sandra M	427 Isleta Blvd SW		Albuquerque	NM	87105-3823	5058779742
Icemgt Inc / Thulin, Eric J / Weh-Thulin, Michelle F / Weh-Casey, Charlene F	5900 Eubank Blvd Ne, Ste E6		Albuquerque	NM	87111-6177	5052985900
Villarreal, Bethany E	The Shops At Holly	6600 Holly Ave NE Ste B- 1	Albuquerque	NM	87113-2547	5058232000
Meadows, James / Meadows, Cheryl	2000 E 66th Ave		Gallup	NM	87301-4868	5058635172
Pilot Travel Centers LLC	465 Pilot Rd (180/95 Exit 46)		Fernley	NV	89408-4600	7755756298

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Jonmar Inc / Adison, John H / Adison, Marge K / Adison, James C	The Galleria At Sunset	1300 W Sunset Rd Ste 2829	Henderson	NV	89014-6627	7024331273
Beck and Gross LLC / Grossell, Thomas J / Grossell, Nellie M	Pahrump Valley Junction	20 S Highway 160 Space 109	Pahrump	NV	89048-2102	7757512177
Grl Enterprises LLC / Charles, Richard E / Daye, Lisa A / Charles, Grant L	261 KENMORE AVE		BUFFALO	NY	14223-3032	7168332834
Jalak Enterprises Inc / Jakubczak, Gerard T / Stark, Pamela S / Royce, Melissa E	1102 Abbott Rd		Buffalo	NY	14220-2752	7168228450
Tangen Dairy Products Inc / Jakubczak, Jan	782 Niagara Fls Blvd		Buffalo	NY	14223-1838	7168342447
Pork Chop Inc / Roesch Jr, William K	3759 Harlem Rd		Cheektowaga	NY	14215-1907	7168366791
716 Dilly Inc / Gawron, Eric J / Gawron, Nikki M	465 French Rd		Cheektowaga	NY	14227-3440	7166770234
Depew Dairy Queen Inc / Glownia, Susan B / Boire, Pamela M	5016 Broadway		Depew	NY	14043-3938	7166832050
Gawron Group Inc / Gawron, Eric J / Gawron, Nikki M	8380 N Main St		Eden	NY	14057-1213	7169929410
Dawner Enterprises Ltd / Weller, Robert E / Weller, Tara A	250 Lake St		Hamburg	NY	14075-4418	7166496972
Jalak Enterprises Inc / Jakubczak, Gerard T / Stark, Pamela S / Royce, Melissa E	2517 Elmwood Ave		Kenmore	NY	14217-2222	7168758821
Jnd Sweets Inc / Dzialak, Dennis J / Dzialak, Jacqueline A	3126 S Park Ave		Lackawanna	NY	14218-3112	7168253714
Gallo, Louis	197 S Plank Rd		Newburgh	NY	12550-2577	8455644020
Schmelzle, Mona L	2301 Military Rd		Niagara Falls	NY	14304-1501	7162970529
Goodhue Group Soft Serv Inc / Goodhue, Clyde William / Goodhue, Michelle R	413 Chestnut St		Oneonta	NY	13820-2120	6074328142
Trav-Nic Corp Ltd / Sperrazza, Travis M	922 Brighton Rd		Tonawanda	NY	14150-8114	7168335066
MAPJR Inc / Palmeri Jr, Michael A	100 Niagara St		Tonawanda	NY	14150-1104	7166958259
Dnj Management LLC / Draught, Damon / Draught, Sonja E	Salmon Run Mall	21182 Salmon Run Mall Loop W	Watertown	NY	13601-2234	3156814316
Transit Treats Inc / Puglisi, Richard F / Puglisi, Raffaella	5445 Transit Rd		Williamsville	NY	14221-2778	7166891775
Calmic Inc / Anderson, Michelle	260 E Cuyahoga Falls Ave		Akron	ОН	44310-2256	3304343018

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Ashtabula Dairy Queen LLC / Discher, Michael	1550 W Prospect Rd		Ashtabula	он	44004-6670	4409975757
Rds Service Enterprises LLC / Selip, Richard D / Selip, Dixie D / Selip, Joshua R	1723 E Prospect Rd		Ashtabula	ОН	44004-5815	4409926455
Smith, Raymond L / Smith, Christine D	146 N Canfield Niles Rd		Austintown	ОН	44515-2305	3307923765
Grim, Mark S / Grim, Kriste L	4148 Dayton-Xenia Pike		Beavercreek	ОН	45432-1904	9374265733
Blue Ash DQtreats Inc / Johnston, Richard S / Johnston, Martha J / Preston, Tara M	4820 Cooper Rd		Blue Ash	ОН	45242-6944	5137949740
CanfieldDQe Inc / Smith, Raymond L / Smith, Christine D / Smith, Ashley L / Smith, Zachary / Smith, Christopher	101 S Broad St		Canfield	ОН	44406-1404	3305336647
Diya Treats LLC / Patel, Sunil B / Patel, Pravin B	9110 Dayton Lebanon Pike		Centerville	ОН	45458-3835	9374343240
Raahi LLC / Patel, Sunil B / Patel, Upeshkumar K	11420 Montgomery Rd		Cincinnati	ОН	45249-2362	5134896220
R & G Concepts LLC / Anton Sr, Kenneth E / Anton Jr, Kenneth E / Weinrich, Kristin N	10091 Springfield Pike		Cincinnati	ОН	45215-1454	5137711137
Paragon Professional Services LLC / Tan, Yan / Zhong, Honghua	8082 Beechmont Ave		Cincinnati	ОН	45255-3145	5134749337
Shree Shaktikrupa Inc / Patel, Sunil B / Patel, Bhagabhai R	11776 Springfield Pike		Cincinnati	ОН	45246-2312	5136716226
Caldwell Confections LLC / Caldwell, Randall E / Caldwell, Tiffany R	194 S High St		Cortland	ОН	44410-1416	3306381557
Hilgeford, Drew A	4812 Airway Rd		Dayton	ОН	45431-1474	9372538314
B & L Frozen Desserts Inc / Stump, William E / Stump, Lynn M	1042 Shroyer Rd		Dayton	ОН	45419-3634	9372983751
Rolyn Inc / Hecht, Ronald S / Hecht, Lynda L	5668 Springboro Pike		Dayton	он	45449-2806	9372969125
Norman Co Ltd / Norman Laurent, Beth Anne / Revocable Trust Agreement / Norman Neff, Elizabeth Ann	288 Main St		Duncan Falls	он	43734	7406744607
Graham, Charles / Graham, Dawni	27 E 3rd St		Frazeysburg	ОН	43822-9651	7408282754
Kmm Treats LLC / Patel, Durga A / Patel, Kriya B	1312 Oak Harbor Rd		Fremont	он	43420-1023	4193320512
Darr, Bruce C	1401 E State St		Fremont	он	43420-4049	4193320335
Sezon, Ed	5377 Lake Rd E		Geneva	он	44041-9422	4404668720

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Suich, Charles W / Suich, Angela M / Suich, Robert E	201 S State St		Girard	ОН	44420-2950	3305452661
Cold Treats LLC / Fluent Iii, Addison G / Richardson, Mia G	119 Youngstown Rd		Hubbard	ОН	44425-1932	3305684539
Brewer, Larry G / Brewer, Carol A	6353 Brandt Pike		Huber Heights	ОН	45424-4044	9372353496
J & J Service Co Inc / Holtschneider, Mary E	2056 E Dorothy Ln		Kettering	ОН	45420-1112	9372947408
Campbell Oil Company / Burrow, Brian D / Burrow, Julie K	717 Wales Rd NE		Massillon	ОН	44646-4740	3308379430
Suich, Kenneth A	69 E Marshall Rd		Mc Donald	ОН	44437-1713	3305301051
Caldwell Confections LLC / Caldwell, Randall E / Caldwell, Tiffany R	20 Milton Blvd		Newton Falls	ОН	44444-1725	3308720151
SPGR Enterprises Inc / Warther, Karl E / Haller, Aaron K / Warther, Kurt R	1664 N Main St		North Canton	ОН	44720-8606	3304974500
Edm Restaurant Holdings LLC / Diane J Reese Family Trust I	11052 Mahoning Ave		North Jackson	ОН	44451-9666	3305382595
Joe-Hecs Inc / Sanchez, Joann / Sanchez Jr, Hector L	333 E Main St		Ravenna	ОН	44266-3134	3302965167
Stegeman, George / Stegeman, Gail	4437 Vine St		Saint Bernard	ОН	45217-1642	5136412100
Sur's Chocolate Corp / Patel, Chintu B / Shah, Manan P	721 N Bechtle		Springfield	ОН	45504-2001	9373259572
Jns Inc / Thaker, Dishita N / Thaker, Nitin P	Southpark Center	856 Southpark Ctr	Strongsville	он	44136-9323	4405729863
Albert M Covelli Irrevocable Trust of 1993 / Danielle Covelli Irrevocable Trust of	928 Youngstown Poland Rd		Struthers	ОН	44471-1305	3307579618
Brewer, Larry G / Brewer, Carol A	513 W Main St		Tipp City	ОН	45371-1438	9376676580
By Enterprises Partnership / Rowe, Benjamin C / Rowe, Steven D	3131 W Alexis Rd		Toledo	он	43613-2013	4197208742
M5 Holdings LLC / Mazziotti, Matthew C / Mazziotti, Annette L / Mazziotti, Monica L	5300 Monroe St		Toledo	ОН	43623-2886	4198410854
Dunn & Bowling Ltd / Donald R Bowling Living Trust / Joan M Bowling Living Trust / Bowling, Donald R / Bowing, Joan M	1290 N Warpole St		Upper Sandusky	он	43351-9093	4192943140
KbsDQ LLC / Campbell, Kimberly D	1047 N Main St		Urbana	он	43078-1081	9376537619
Suroiu, Nick	921 Youngstown Kingsville Rd		Vienna	он	44473-9794	3303941658

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Campbell Oil Company / Burrow, Brian D / Burrow, Julie K	835 High St		Wadsworth	ОН	44281-9420	3303364714
Caldwell Confections LLC / Caldwell, Randall E / Caldwell, Tiffany R	119 W State Rd		Warren	он	44483-1619	3308478580
Smith, Christopher D	1628 W Market St		Warren	ОН	44485-2719	3309907562
Niemi, Edwin M / Niemi, Eileen A / Niemi, Anthony E	2123 Elm Rd NE		Warren	ОН	44483-4004	3303724623
S&A Treats Inc / Patel, Ketan N / Patel, Narasinh P	6033 E Market St		Warren	ОН	44484-2225	3306095070
Lim-End Inc / Uhler, Ronald J / Uhler, Miriam J	4771 Cleveland Rd		Wooster	ОН	44691-1137	3303458307
Smith, Raymond L	3555 S Meridian Rd		Youngstown	ОН	44511-2657	3307995295
BDQE Inc / Smith, Raymond L / Smith, Christine D / Smith, Ashley L / Smith, Zachary / Smith, Christopher	6120 Market St		Youngstown	он	44512-3328	3307269148
Dt Duvall & Associates LLC / Duvall, Dan L / Duvall, Tina M	817 McCartney Rd		Youngstown	он	44505-5000	3307440053
CGW Zanesville Ltd LLC / Tehan, George W / May, Christopher W	1270 Maple Ave		Zanesville	он	43701-2850	7404525680
Campbell, Jeffrey P / Grizzard, C William	1629 Maysville Ave		Zanesville	ОН	43701-5846	7404536930
CF Treats Atoka LLC / CF Treats #2 LLC / Ambrose III, Joseph D / Wolman, Whitley C	804 S Mississippi Ave		Atoka	ОК	74525-3326	5808897919
C & P Stuever Holdings LLC / Stuever, Cecil P / Stuever, Patricia A	801 S Main St		Blackwell	ОК	74631-4428	5803632441
CF Treats Caddo LLC / CF Treats #2 LLC / Ambrose III, Joseph D / Wolman, Whitley C	830 Buffalo St		Caddo	ОК	74729-1119	5803672611
Branch, Fields Brandon / Branch, Brenda Gaylene	1000 E 6th St		Okmulgee	ОК	74447-4706	9187564554
LG2 LLC / Giles, Jordan D / Giles, Terry M	404 W Main St		Tishomingo	ОК	73460-1729	5803712366
Mcgee, Shirley A	117 E Highway 9		Wetumka	ОК	74883-6007	4054523302
Vassar, Kenneth	1223 Main St		Woodward	ОК	73801-3158	5802562397
RJ Ventures Inc / Slayton Jr, Robert J / Slayton, Franciska	Lloyd Center	2314 Lloyd Ctr	Portland	OR	97232-1313	5032872627
Aston Treats LLC	5031 Pennell Rd		Aston	PA	19014-1869	6104949949

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Kutza Enterprises Inc / Kutza, Joseph S / Kutza Pamela M	3234 Woodward Ave		Avis	PA	17721	5707538643
Allen, Mary Kay / Allen, John T	4846 Library Rd		Bethel Park	PA	15102-2962	4128351061
Kool Sips Inc / Gojich, Edward B / Gojich, Lucy R	Capital City Mall	3652 Capital City Mall Dr # 218b	Camp Hill	PA	17011-7017	7177612810
Ramsey LLC / Ramsey, G Scott / Ramsey, Lisa	221 Penrose Pl		Carlisle	РА	17013-4014	7172498655
Management Sales Inc / Stillman, G Patrick	1624 Lancaster Ave		Columbia	PA	17512-9543	7176843874
Cook, William / Cook, Melinda	825 N US Highway 15		Dillsburg	РА	17019-1618	7174320396
Dqjordan LLC / Jordan, Michael D / Fisk III, Charles L	710 N Lansdowne Ave		Drexel Hill	PA	19026-1511	6106261830
Burton, Deborah N	2937 Blinker Pkwy		Du Bois	РА	15801-5321	8143717160
Hossain, Sakawath / Rahman, Sayma	Palmer Park Mall	2455 Park Ave, #131	Easton	РА	18045-2770	6102585926
Dairy Queen of Ephrata Inc / Slotcavage, John C / Slotcavage, Lucy	181 S Reading Rd		Ephrata	РА	17522-1971	7177339694
Maslowski, John	915 York Rd		Gettysburg	РА	17325-7551	7173344411
OM ONE LLC / Patel, Chandrakant J / Patel, Hemlattaben C	3890 Walnut St		Harrisburg	PA	17109-2549	7175456844
DQH LLC / Osborne, Alan R / Osborne, G Christine	10241 William Penn Hwy		Huntingdon	РА	16652-6819	8146432376
Crouse, Fred R (Estate)	473 Wyoming Ave		Kingston	PA	18704-3619	5702870364
Stillman, G Patrick / Stillman, Beulah R	1935 Columbia Ave		Lancaster	PA	17603-4337	7173946923
Royal Group Inc / Shankroff, Brett J (Estate) / Shankroff, Rita M	1512 E Cumberland St		Lebanon	РА	17042-8321	7172729922
Donmoyer's Dairy Queen Inc / Deitzler, Michael A / Deitzler, Vicki L	2600 Cumberland St		Lebanon	РА	17042-2528	7172728786
KGMIC Inc / Miller, Kelsey A	607 E Simpson St		Mechanicsburg	PA	17055-3456	7177668231
Kool Sips Inc / Gojich, Edward B / Gojich, Lucy R	Fairview Plaza	110 Old York Rd	New Cumberland	РА	17070-3446	7177742036
Spires, Matthew D	2130 River Rd		North Apollo	PA	15673	7244781291

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Donmoyer's Dairy Queen Inc / Deitzler, Michael A / Deitzler, Vicki L	North Londonderry Shopping Center	5 N Londonderry Sq	Palmyra	PA	17078-3902	7178385900
Ssasm LLC / Dougherty, Sharyn D / Dougherty, Scott A	1039 Perry Hwy		Pittsburgh	PA	15237-2110	4123641771
JBLR Inc / Rossi, Robert / Rossi, Joanne	1693 McFarland Rd		Pittsburgh	PA	15216-1810	4125615772
Ohio River Restaurant LLC / Goraya, Kawaljit Singh	4276 Ohio River Blvd		Pittsburgh	PA	15202-3847	4127661494
Shanahan, Beverly Ann / Shanahan, Thomas S	3002 Babcock Blvd		Pittsburgh	PA	15237-2716	4129314204
Brico Realty LLC / Ellefson, Brian M / Ellefson, Bristal J	The Mall At Robinson	100 Robinson Ctr Dr #2560	Pittsburgh	PA	15205-4831	4124944930
ELLCo Enterprise LLC / Ellefson, Brian M / Ellefson, Bristal J	268 Settlers Ridge Center Dr		Pittsburgh	PA	15205-1423	4127477557
Brijak Inc / Taylor, Brian S / Taylor, John G	465 N Claude A Lord Blvd		Pottsville	PA	17901-2705	5706227868
T & J Hodgdon LLC / Hodgdon, James R / Hodgdon, Theresa A	802 S Saint Marys St		Saint Marys	PA	15857-2831	8147811417
Rkaa Ventures LLC / Mattern, Brian K	Viewmont Mall	6 Viewmont Mall	Scranton	PA	18508-1364	5709631591
OMM THREE LLC / Patel, Chandrakant J / Patel, Hemlattaben C	4399 Penn Ave		Sinking Spring	PA	19608-1369	4845095176
Smark Inc / Park, Logan P / Smith, Frances B	747 W Sproul Rd		Springfield	PA	19064-1215	6105438828
OMM TWO LLC / Patel, Chandrakant J / Patel, Hemlattaben C	4901 5th Street Hwy		Temple	PA	19560-1407	6104065957
Fuchs Enterprises LLC / Fuchs, Daniel J / Fuchs, Carolyn L	4237 Verona Rd		Verona	PA	15147-1635	4122421722
JHDQ West Mifflin LLC / James, Jeffrey S	400 Lebanon Rd		West Mifflin	PA	15122-1024	4124617513
Gentzler, P Kenneth / Gentzler, Sherrie A	1455 S Queen St		York	PA	17403-3852	7178452243
Beautiful Day Inc / Miller, John E / Miller, Pamela S	3020 E Market St		York	PA	17402-2501	7177572221
Lt Treats Inc / Pappas, Philip / Pappas, Maria	Providence Place Mall	1 Providence Pl	Providence	RI	02903-1739	4016546084
Pilot Travel Centers LLC	3008 Charleston Hwy		Саусе	SC	29172-3806	8037395848
Pilot Travel Centers LLC	15845 Whyte Hardee Blvd		Hardeeville	SC	29927-6919	8437847771

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Circle K Stores Inc	1100 S Lake Dr		Lexington	SC	29073-8351	8038080598
Pilot Travel Centers LLC	522 Hwy 601 S		Lugoff	SC	29078-8917	8034387234
SDQ LLC / Andersen, Andrew J	1525 Old Trolley Rd		Summerville	SC	29485-8928	8438716695
King Petroleum Company / Wimberley, Steven D	1653 Bells Hwy		Walterboro	SC	29488-2576	8435388224
Sioux City DQ Inc / Aftershock Ventures LLC / Hiserote, Daniel D / Hiserote, Ginger M	404 N Hwy 77		Dell Rapids	SD	57022-1514	6054285500
Rushmore Canyon Inc / Jensen, Douglas L / Jensen, Julie A	Rushmore Mall	2200 N Maple Ave #601	Rapid City	SD	57701-7883	6053483186
Hatchel Enterprises Inc / Hatchel, Billy J / Hatchel, Carrie L	555 Elm St		Martin	ΤN	38237-3437	7315873511
Beasley, Connie Sue	15680 Highland Dr		Mc Kenzie	ΤN	38201-2517	7313522454
Fourteen Foods LLC	202 E Stratton Ave		Monterey	ΤN	38574-1516	9318393315
Tennessee Restaurant Group LLC / Homayoon, Sepehr Seth / Ferdowsi, Farzin / Aminmadani, Homayoun / Homayoon, Vafa Clint	Opry Mills Mall	364 Opry Mills Mall	Nashville	ΤN	37214-2438	6152380087
Thomas, Jason R / Thomas, Kristin A / Roark, Phillis J	121 Carl Perkins Pkwy		Tiptonville	TN	38079-1673	7312536311
The Teton Group LLC / Hendricks, Todd K / Crapo, Conn J / Crapo, George M (Estate)	Layton Hills Mall	1076 Layton Hills Mall	Layton	UT	84041-2001	8014979330
The Teton Group LLC / Hendricks, Todd K / Crapo, Conn J / Crapo, George M (Estate)	Fashion Place Mall	6191 S State St Ste 336	Murray	UT	84107-7266	8012631785
The Teton Group LLC / Hendricks, Todd K / Crapo, Conn J / Crapo, George M (Estate)	South Towne Center	10450 S State St, Space #fc-10	Sandy	UT	84070-3147	8015723111
S&T Sweet Treats Inc / Dollente, Tiara M / San Miguel, Shanna L	The Outlet Collection - Seattle	1101 Outlet Collection Way SW, STE 145	Auburn	WA	98001-6507	2537358148
The Life of Riley LLC / Riley, Amanda M	South Hill Mall	3500 S Meridian #f18	Puyallup	WA	98373-3705	2538455014
S&T Sweet Treats Inc / Dollente, Tiara M / San Miguel, Shanna L	Tacoma Mall	4502 S Steele St, Ste 519	Tacoma	WA	98409-7242	2534724885
Tnt Treat LLC / Thayer, Shawn E / Thompson Thayer, Judith L	501 Lake Shore Dr E		Ashland	WI	54806-1839	7156824141
Kook's Beaver Dam LLC / Kook, Thomas F / Kook, Julie A	1501 N Center St		Beaver Dam	WI	53916-1025	9208872048
BDQ LLC / Nelson, Stephen	324 S Pine St		Burlington	WI	53105-2235	2627639385

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Reuter, Thomas R / SanDQuist Reuter, Myra K	124 E Park Ave		Chippewa Falls	WI	54729-3159	7157237911
Draeger, Daniel J	290 S Main St		Clintonville	wı	54929-1668	7158233644
Food Service Group LLC / Cook, Christopher L / Cook, Jaime L	1655 Superior Ave		Cumberland	WI	54829-9203	7158222536
Treats of De Pere LLC / Mindak, Chad D / Carlton, Courtney B	1081 N Broadway		De Pere	WI	54115-2609	9203364717
Pinehurst Foods Inc / Hahn, Brian T / Chapman, Kimberly A	Oakwood Mall	4800 Golf Rd, Ste 139	Eau Claire	WI	54701-9050	7158355958
Eau Zone Inc / Hahn, Thomas E / Steil, Mark	Action City @ Metropolis Resort	5150 Fairview Dr	Eau Claire	WI	54701-9444	7158389663
Tasty Treats of Green Bay LLC / Mindak, Chad D / Carlton, Courtney B	1301 Main St		Green Bay	WI	54302-1308	9204350104
Plaisted, Terry L	4301 Sheridan Rd		Kenosha	WI	53140-5746	2626543000
Cpk Enterprises Inc / Knapp, Christopher J / Knapp, Patricia L	2707 22nd Ave		Kenosha	WI	53140-2004	2626526524
The Schnur Thing LLC / Schnur, Aaron C / Schnur, Jennifer M	114 Fremont St		Kiel	WI	53042-1425	9208943367
Station Treats LLC / Mancusi, Anthony D	2856 University Ave		Madison	WI	53705-3644	6082384511
DQDIPITI Inc / Patel, Pareshkumar G / Patel, Diptiben Paresh	7860 Mineral Point Rd		Madison	WI	53717-2028	6088332080
Nissen Inc / Nissen, Craig H / Nissen, Sharla R / Millner, Rene A / Nissen, Donell S	1600 S Roddis Ave		Marshfield	WI	54449-4905	7158981111
Hanson, R Michael / Hanson, Beth Ann	905 N Center St		Merrill	WI	54452-1245	7155365821
Bay Foods Inc / Mayer, David J / Mayer, Amy E	245 E Hampton Ave		Milwaukee	WI	53217-5803	4149629440
ASB Ventures LLC / Behm, Samuel D / Schaffer-Behm, Avery A	600 N Water St		New London	WI	54961-1140	9209823122
Kook's Durand Ave LLC / Kook, Thomas F / Kook, Julie A	3918 Durand Ave		Racine	WI	53405-4412	2625830066
Kook's Douglas Ave LLC / Kook, Thomas F / Kook, Julie A	3320 Douglas Ave		Racine	WI	53402-3750	2626397823
Adams, James A (Estate)	224 S Main		Rice Lake	WI	54868-2268	7152344680
Fourteen Foods LLC	2263 Calumet Dr		Sheboygan	WI	53083-4603	9204575878

List of Franchised Locations

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Wineinger, David	914 W Wisconsin		Sparta	WI	54656-2298	6082699191
M&Jz Holdings Inc / M&Jz Holdings Inc 401K Psp / Zeratsky, Matthew J / Zeratsky, Jessica M	902 Egg Harbor Rd		Sturgeon Bay	WI	54235-1230	9207435495
T and N of Sun Prairie LLC / Anderson, Nathan D / Heller, Timothy S / Mancusi, Todd M / Mancusi, Anthony D	704 W Main St		Sun Prairie	WI	53590-2840	6088376011
Nissen Inc / Nissen, Craig H / Nissen, Sharla R / Millner, Rene A / Nissen, Donell S	218 E Clifton		Tomah	wi	54660-2610	6083724892
Saliu, Argzon / Saliu, Lavdrim M	404 S Main St		Viroqua	wi	54665-2056	6086377870
Wausau Treats LLC / Levis, Michael B	1938 Grand Ave		Wausau	wi	54403-6870	7158423961
Thomas Street Enterprises LLC / Doering, Susan K / Doering, Leroy W	145 E Thomas St		Wausau	wi	54401-6137	7158454744
Sylvanson LLC / Michaud, Thomas D / Michaud, Carrie L	10823 W Greenfield Ave		West Allis	WI	53214-2340	4144538920
Cmc LLC / Czondi, Csongor A / Czondi, Samantha M	109 Broadway		Wisconsin Dells	wi	53965-1549	6082548772
P J Anhalt Inc / Anhalt, Patrick / Anhalt, Jill	551 E Grand Ave		Wisconsin Rapids	wi	54494-4644	7154230920
Satterfield, Byron K	1901 Bluefield Ave		Bluefield	wv	24701-2626	3043256657
Satterfield, Byron K	3136 Cumberland Rd		Bluefield	wv	24701-4957	3043256652
Booth, Sarah E	58 E Main St		Buckhannon	wv	26201-2754	3044727333
Clendenin, Edwin L / Thornton, Brenda D	302 Roosevelt Blvd		Eleanor	wv	25070-0355	3045869352
Peppermint Creek LLC / Mccloy Jr, Robert J / Mccloy, Terri R	99 N Elk St		Gassaway	wv	26624-1153	3043642428
LeFevre Corporation / LeFevre, Timothy A / LeFevre, Amy L / Keith, Lindsey L	805 N Pike St		Grafton	wv	26354-1223	3042651710
Vance Properties Inc / Vance, Thomas A	HC 78 Box 6		Hinton	wv	25951-9503	3044661700
D & D Lc / Wash J & L Inc / Peterson, Roger D / Peterson, Dale R / Peterson- Dockeney, Vicki J / Dockeney, Clayton	822 Winchester St		Martinsburg	wv	25401-1710	3042674791
D & D Lc / Wash J & L Inc / Peterson, Roger D / Peterson, Dale R / Peterson- Dockeney, Vicki J / Dockeney, Clayton	1016 N Queen St		Martinsburg	wv	25404-3547	3042636735
Diehl, Stephen F / Tillis, Amy M	3601 36th St		Nitro	wv	25143-1636	3047554690

List of Franchised Locations

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Peppermint Creek of Point Pleasant LLC / McCloy, Robert J / McCloy, Terri R	2208 Jackson Ave		Point Pleasant	wv	25550-2004	3048125115
Satterfield, Byron K	314 S Walker St		Princeton	wv	24740-2768	3044259845
Satterfield, Byron K	519 Oakvale Rd		Princeton	wv	24740-3913	3044253700
D & D Lc / Wash J & L Inc / Peterson, Roger D / Peterson, Dale R / Peterson- Dockeney, Vicki J / Dockeney, Clayton	109 S Mildred St		Ranson	wv	25438-1426	3047257417
D & D Lc / Wash J & L Inc / Peterson, Roger D / Peterson, Dale R / Peterson- Dockeney, Vicki J / Dockeney, Clayton	45 Maddex Square Dr		Shepherdstown	wv	25443-4310	3045794999
Bfs Foods Inc / Bruceton Farm Service Inc / Bishop, Marshall F	57 Bfs Blvd		Weston	wv	26452	3042691734
Boyd, Conner Jean	2128 National Rd	Elm Grove	Wheeling	wv	26003-5248	3042422120
J T Enterprises LLC / Clayton, Denise	560 National Rd		Wheeling	wv	26003-6541	3042334050
B & R Softserve Inc / Boedecker, Brock N / Lorenz, Richard A	544 N Main St		Sheridan	WY	82801-3631	3076749379

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Yoo, Ho S	2300 W Apache Trl		Apache Junction	AZ	85120-3723	4809825723
ANYVES GANUBA LLC / Garcia, Angelica M / Baldengero, Elvia Yvette / Nunez, Esther Esthela	219 Bisbee Rd		Bisbee	AZ	85603-1122	5204324436
MMPR Bullhead City Hospitality LLC / Kalra, Puja / Kalra, Ramandeep S	2179 Highway 95		Bullhead City	AZ	86442-6008	9289007300
Q2 Cool Ops LLC / Sladek, William / Simms, Peter	987 N Arizona Blvd		Coolidge	AZ	85128-3726	5206355695
Kool Treats LLC / Bartol Jr, Donald L / Bartol, Brenda M	51 W 5th St		Douglas	AZ	85607-2852	5203642542
Menneke, Douglas W / Menneke, Donna	603 S Milton Rd		Flagstaff	AZ	86001-6282	9287792028
T & R Leon Ventures LLC / Leon, Ricardo / Leon, Matefi W	1051 W Beta St		Green Valley	AZ	85614-4943	5202091770
MMPR Kingman Holdings LLC / Kalra, Ramandeep / Kalra, Puja	3152 N Stockton Hill Rd		Kingman	AZ	86401-4164	9287532814
D S Enterprises Inc / Cowgur, Stephen J / Cowgur, Greg E / Cowgur, Wayne S	Tucson Premium Outlet	6401 W Marana Center Blvd Ste: 919	Marana	AZ	85653	5209997886
Dove Mtn Treats LLC / Sladek, William G / Simms, Peter D	12050 N Thornydale Rd Ste 100		Marana	AZ	85658-5130	5206396525
DDQ LLC / Trendler, Terry / Trendler, Jeff C	601 S Beeline Hwy		Payson	AZ	85541-5302	9284749137
Pilot Travel Centers LLC	1201 W MAIN ST		QUARTZSITE	AZ	85359	9289277777
Safford Soft Serve LLC / Konopnicki, Michael D / Konopnicki, Jeanne M	807 W Thatcher Blvd		Safford	AZ	85546-3131	9283482572
Q3 San Tan LLC / Sladek, William G / Simms, Peter D / Kingsbury, Warren C	38214 N Gantzel Rd		San Tan Valley	AZ	85140-7039	4805086008
Q3 Hunt LLC / Sladek, William G / Simms, Peter D	4059 W Hunt Hwy Ste 5		San Tan Valley	AZ	85142	4809871134
MJK Sweet Treats LLC / Konopnicki, Jeanne / Konopnicki, Michael	1720 S Hwy 92		Sierra Vista	AZ	85635-4622	5206858784
Hungate, Bruce A / Hungate, Jacqueline I	501 N 4th Ave		Tucson	AZ	85705-8448	5208820959
M3C&D LLC / Albers, Mavis L / Albers, Michael W / Durham, Carrie R / Vaccaro, Michelle A / Stevens, Deborah J	23 W Prince Rd		Tucson	AZ	85705-3519	5208880560
Hoffman, Eric L / Hoffman, Jessica F	5762 E 22nd St		Tucson	AZ	85711-5527	5207900769
Sal Restaurants 1 LLC / Rizvi, Junaib Ahmed	5960 N Oracle Rd		Tucson	AZ	85704-3816	5208874362
Leon, Alvaro / Leon, Martina	6550 S Midvale Park Rd		Tucson	AZ	85746-6030	5202944255
Donjen LLC / Gin, Donald / Gin, Jennifer	1760 W Speedway Blvd		Tucson	AZ	85745-2218	5206237862

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
T & R Leon Ventures LLC / Leon, Ricardo / Leon, Matefi W	7825 E Golf Links Rd		Tucson	AZ	85730-1131	5202943799
Q3 Pueblo LLC / Sladek, William G / Simms, Peter D	4889 W Ajo Hwy Ste 105		Tucson	AZ	85757-9278	5205786182
Q3 Alvernon Ops LLC / Sladek, William G / Simms, Peter D	1526 N Alvernon Way		Tucson	AZ	85712	5202696561
Leon, Alvaro / Leon, Martina	6780 E Tanque Verde		Tucson	AZ	85715-5324	5202965259
BJF Financial Resources Limited Partnership / TIG Management Company Inc / Kennedy, Cinda K / Liverman, Marcia L / Browne, Debra J / Hoffman, Eric L	100 S Sarnoff Dr		Tucson	AZ	85710-4243	5202964281
Donjen LLC / Gin, Donald / Gin, Jennifer	1025 E Irvington Rd		Tucson	AZ	85714-3217	5202945962
Hanson, Bette L / Enos, Shannon / Hogan, Dwayne	4146 W Ina Rd		Tucson	AZ	85741-2203	5207442121
BJF Financial Resources Limited Partnership / TIG Management Company Inc / Kennedy, Cinda K / Liverman, Marcia L / Browne, Debra J / Hoffman, Eric L	8955 E Tanque Verde Rd		Tucson	AZ	85749-9470	5207492302
Shrewsbury, Carol	2170 W River Rd		Tucson	AZ	85741-3889	5202938198
Bjf Financial Limited Partnership / Hoffman, Eric L / Kennedy, Cinda K / Liverman, Marcia L / Browne, Debra J	13160 E Colossal Cave Rd		Vail	AZ	85641-8970	5207620343
Gold Star No II LLC	2250 N Vulture Mine Rd		Wickenburg	AZ	85390-4361	9286847026
Beatty, Mary L / Beatty, David	490 N Haskell Ave		Willcox	AZ	85643-1720	5203844459
Byars, Dorothy E	603 W Route 66		Williams	AZ	86046-2334	9286352502
Norris, Kim / Wilson, Joseph J / Wilson, Wilma / Wilson, John / Wilson, Scott / Wilson, Kevin	2077 S 4th Ave		Yuma	AZ	85364-6434	9287839242
MMPR Yuma Hospitality LLC / Kalra, Ramandeep S / Kalra, Puja	11280 S Fortuna Rd		Yuma	AZ	85367-7847	9282484490
Seamco LLC / Mclain, Edward / Mclain, Carol	551 E 32nd St		Yuma	AZ	85364-8250	9287264571
Bowden, Gene P / Bowden, Johnnie F / Bowden, David S	2000 S Ave B		Yuma	AZ	85364-6102	9287831703
Dio Mercantile Co / Diodosio, Warren M / Diodosio, Warren J / Diodosio, Robert S	1001 Lake Ave		Pueblo	со	81004-2456	7195458220
Saiscop Inc / Patel, Payal / Patel, Chintan	1795 N Broadway		Bartow	FL	33830-3104	8635332779
Ee HcDQ LLC / Emanuel, Erin	36172 Hwy 27		Haines City	FL	33844-3741	8634229336
C-Five Queen Management Company LLC / Crisman, Paige	24171 US Hwy 27		Lake Wales	FL	33859-7819	8639494816
Saiscop Inc / Patel, Payal / Patel, Chintan	5239 US Highway 98 S		Lakeland	FL	33812	8639375264

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
South Florida Dairy Queen LLC / Emanuel, Patrick J	4114 S Florida Ave		Lakeland	FL	33813-1625	8636460876
DQN Inc / Brown, Linda / Kranitz, William	4710 US Highway 98 N		Lakeland	FL	33809-3605	8638151615
Orsillo, Virginia / Smith, Kathleen Orsillo	4040 SW 67th Ave		Miami	FL	33155-3705	3056651387
Hong An Inc / An, Weijun / Zhang, Xiaohong	11608 N Kendall Dr		Miami	FL	33176-1005	3055966698
An, Weijun / Zhang, Xiaohong	14271 S Dixie Hwy		Miami	FL	33176-7224	3052522692
Kool Kreamery Inc / Garcia, Jorge Mario / Johnson, Jane	10371 Hammocks Blvd		Miami	FL	33196-4735	3054080140
Boss Lady Enterprises Inc / Sarria, Lizzette	1902 W Reynolds		Plant City	FL	33563-4742	8137522236
Emanuel, Patrick J / Emanuel, Dana L	1702 Havendale Blvd NW		Winter Haven	FL	33881-1224	8632995165
Emanuel, Patrick J	511 Cypress Garden Blvd		Winter Haven	FL	33880-4456	8632995245
Vg Fam LLC / Van Gorp, Eric / Van Gorp, Janell	316 Lincoln Way		Ames	IA	50010-3318	5152325715
Vg Fam LLC / Van Gorp, Eric / Van Gorp, Janell	2108 Isaac Newton Dr		Ames	IA	50010-8215	5152335550
Vg Fam LLC / Van Gorp, Eric / Van Gorp, Janell	3308 Orion Dr		Ames	IA	50010-4276	5156630819
Nelson, James E / Nelson, Marsha	715 S Main St		Burlington	IA	52601-5849	3197544234
Nelson, James E / Nelson, Marsha	1228 N Roosevelt Rd		Burlington	IA	52601-2045	3197547858
Power Play Inc / Muckler, Jill / Muckler, Trent	3304 1st Ave NE		Cedar Rapids	IA	52402-6004	3193637131
Karla Enterprises Inc / Sibert, Karla	501 16th St NE		Cedar Rapids	IA	52402-5136	3193650680
Duncan, Dennis L / Duncan, Janet M	2843 Mt Vernon Rd SE		Cedar Rapids	IA	52403-3553	3193655628
HDQ Inc / Hellman, Ronald / Hellman, Randy / Hellman, Cindy (38315)	707 S Grand Ave		Charles City	IA	50616-3730	6412283161
Dairy Queen of Coralville Inc / Collum, Christine S	904 2nd St		Coralville	IA	52241-2622	3193389483
Walsh, Luann / Walsh, James	1836 Madison Ave		Council Bluffs	IA	51503-5290	7123286966
Fourteen Foods LLC	540 32nd Ave		Council Bluffs	IA	51501-7682	7123665059
Oshlo, Douglas	3210 W Broadway		Council Bluffs	IA	51501-3111	7123223424

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Eash, Mathew	660 Eastbury Dr		Iowa City	IA	52245-7604	3195120132
Aftershock Ventures LLC / Hiserote, Daniel D / Hiserote, Ginger M	1015 Highway 1 W		Iowa City	IA	52246-4227	3193383100
Mcwane Dairy Queen Inc / Mcwane, Scott Allen	526 S Riverside Dr		Iowa City	IA	52240-3745	3193389328
Allusions Inc / Bouska, Lori	2100 7th Ave		Marion	IA	52302-3660	3193771054
Wollam, Larry J / Wollam, Barbara J	711 N 3rd Ave		Marshalltown	IA	50158-1828	6417522712
Wise, David / Wise, Elizabeth	2107 S Center St		Marshalltown	IA	50158-5958	6417525101
Rozendaal, Paul / Rozendaal, Yolanda	365 Beaver Kreek Centre Ste A		North Liberty	IA	52317-9254	3196262011
Teejay Enterprises LLC / Hunziker, Teegan	S Hwy 6		Oakland	IA	51560	7124826816
Thedens, Kirk / Thedens, Jo	212 7th St SE		Oelwein	IA	50662-3036	3192834515
Ruzicka, Robin / Ruzicka, Jeff	101 Prairie Rose Ln Unit 1		Solon	IA	52333-9460	3196242115
Nissen Inc / Nissen, Craig H / Nissen, Sharla R / Millner, Rene A / Nissen, Donell S	501 Grand Ave S		Spencer	IA	51301-5322	7122627716
DO Story Holdings LLC / Delano, Dominic	1533 Broad St		Story City	IA	50248-1581	5157332844
Popenhagen, Amy M / Popenhagen, Alex C	312 W Bradford St		West Union	IA	52175	5634226284
Hanke, Dan / Hanke, Mary	709 W Lake St		Addison	IL	60101-2042	6305432121
MjpDQ LLC / Potirus, Michael	1249 S Main St		Algonquin	IL	60102-2741	8476589443
Dunbar, Jim / Dunbar, Gloria	12039 S Pulaski Rd		Alsip	IL	60803-1221	7083883113
Noble DQ Stores Inc	126 N LAKE ST		AURORA	IL	60506-4055	6308922856
Noble DQ Stores Inc	918 W Illinois Ave		Aurora	IL	60506-2702	6308592258
KHAVANDEV Corporation / Patel, Bhavin / Vyas, Vishal / Patel, Saurabh	2966 Ogden Ave		Aurora	IL	60504-7204	6308518444
Chilling Delights Inc / Hebda, Peter / Hebda, Kesja	1242 N Eola Rd		Aurora	IL	60502-9409	6302369999
Anup Bartlett Corp / Bhavsar, Darshan / Bhavsar, Nivruti	111 E Lake St		Bartlett	IL	60103-4143	6302897557
Noble Dairy Queen Inc	1134 W Wilson St		Batavia	IL	60510-1638	6309374025

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DQ Bensenville Inc / Joshi, Rahul	229 W Grand Ave		Bensenville	IL	60106-3399	6302381619
Pas DQ Inc / Shah, Pratiksha / Shah, Amit	148 S Bloomingdale Rd, Ste 102		Bloomingdale	IL	60108-1491	6309802828
Jly Management LLC / Ybarra, Jose L	479 S Weber Rd		Bolingbrook	IL	60490-5504	6303782137
Noble DQ Stores Inc	121 S Main St		Bourbonnais	IL	60914-1913	8159326441
Keyami Braidwood LLC / Panchal, Vinay S / Panchal, Ranjan	236 Comet Dr		Braidwood	IL	60408-2028	8154582140
Patterson, Georgia / Karametsos, Margie	40w301 Rt 64	Unit D	Campton Hills	IL	60175	6305847390
Pujdip Inc / Joshi, Sonal / Joshi, Rajesh	948 Army Trail Rd		Carol Stream	IL	60188-2905	6308305496
CC Ice Cream & Company LLC / Castaneda, Rafael	140 Crystal St		Cary	IL	60013-2731	8155277088
Verkler, Chad / Verkler, Ashleigh	500 N 2nd St		Cissna Park	IL	60924-9786	8154572368
Boudreau, Christopher S / Boudreau, Jacqueline	1035 E 2900 N Rd		Clifton	IL	60927-7062	8156943202
Reese, John / Reese, Mary	35 Berkshire Dr #15		Crystal Lake	IL	60014-7700	8154799818
Keyami Diamond LLC / Panchal, Vinay S / Panchal, Ranjan	3195 E Division St		Diamond	IL	60416-1897	8156344098
Troha, Steven A	6240 Main St		Downers Grove	IL	60516-1908	6308522246
Ariton Stanton Inc / Pewett, Trevor J / Pewett, Dornise L	2245 Maple Ave		Downers Grove	IL	60515-4404	6309712122
MjpDQ LLC / Potirus, Michael	15 E Main St		East Dundee	IL	60118-1349	8474282443
Nd Bartlett LLC / Bhavsar, Darshan / Patel, Jay	704 W Chicago St		Elgin	IL	60123-6200	8476973319
Krishna Treats Inc / Patel, Brijesh / Patel, Hiren	3091 US Highway 20	Unit 104	Elgin	IL	60124-3840	8479018399
Gordon Dairy Queen Ltd / Gordon, Steven / Gordon, Judy	727 Villa St		Elgin	IL	60120-8031	8476971714
Patel, Priyank M / Patel, Nikita P	143 N York St		Elmhurst	IL	60126-2814	6303594063
Noble DQ Stores Inc	703 E State St		Geneva	IL	60134-2366	6302322244
Jdmnk Inc / Patel, Baldevbhai P	244 W 1st St		Gibson City	IL	60936-1708	2177845125
Siya & Shivani Inc / Patel, Balbhadra / Patel, Hemil M	822 US Highway 24 W		Gilman	IL	60938-8001	8152654115

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Luttresack Industries Inc / Luttrell, Jonathan W / Luttrell, Tressa L	850 N Main St		Glen Ellyn	IL	60137-3641	6308582777
Hampshire Cool Treats Corp / Herrmann, Brent	101 W Oak Knoll Dr		Hampshire	IL	60140-9720	8476833190
Rank In Enterprises Inc / Miedema, Daniel / Miedema, Jennifer	605 S Division St		Harvard	IL	60033-8633	8159432663
RadhavDQ Inc / Patel, Priyank M	600 Central Ave Ste 113		Highland Park	IL	60035-5614	8479260544
Double G Inc / Gordon, William F / Gordon, Tamara E	1570 W Algonquin Rd		Hoffman Estates	IL	60192-1575	8472215896
A.P. Bros.Inc / Singh, Amandeep / Patel, Pridesh	14128 S Bell Rd		Homer Glen	IL	60491-8142	7083015554
Keyami Washington LLC / Panchal, Vinay S / Panchal, Ranjan	1410 E Washington St		Joliet	IL	60433-1363	8155531000
Tanvi Inc / Patel, Rajiv J	1700 W Jefferson St		Joliet	IL	60434-6727	8157255554
Keyami Essington Inc / Panchal, Vinay S	2310 ESSINGTON RD		JOLIET	IL	60435-1664	8152540644
Noble DQ Stores Inc	1045 W Station St		Kankakee	IL	60901-3446	8159324441
Noble DQ Stores Inc	1700 E Maple St		Kankakee	IL	60901-5716	8159334211
Reese, John / Reese, Mary	4710 W Algonquin Rd		Lake In The Hills	IL	60156-6723	8475152636
Madsam Inc / Bergbower, Jeffrey (Estate) / Bergbower, Christina	958 E 9th St		Lockport	IL	60441-3235	8158381701
Lombard Dairy Queen LLP / Hoffman, Steve / Hoffman, Sally	205 S Main St		Lombard	IL	60148-2629	6306276364
Noble Stores LLC	399 Southcreek Dr		Manteno	IL	60950-3719	8154685856
Reese, John / Reese, Mary	2640 Schaid Ct		McHenry	IL	60051-4485	8153852949
DQ Mokena Corp / Patel, Rajiv J	19165 S La Grange Rd		Mokena	IL	60448-9346	7084795487
Noble DQ Stores Inc	3 Gladiolus St		Momence	IL	60954-1767	8154724445
Daughters, Michael (IL)	1002 N Washington St		Naperville	IL	60563-2765	3312137999
Kpm Foods LLC / White, Karen S	Springbrook Center, Ste 132	2547 Plainfield Naperville Rd	Naperville	IL	60564-8909	6305489437
R Abraham Dairy Queen LLC / Abraham, Robert A	1454 E Chicago Ave		Naperville	IL	60540-5915	6303284148
J.M.R. Dairy Queen LLC / Abraham, Michael	2735 Hassert Blvd Ste 167		Naperville	IL	60564-5205	6309223737

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M & B Enterprises Inc / Battista, Maureen	1817 Wehrli Rd		Naperville	IL	60565-9316	6303692523
Palatine Ice Cream Inc / Abraham, Robert A	307 E Northwest Hwy		Palatine	IL	60067-8116	8479340269
Umble, Ray / Umble, Erin	349 Railroad Ave		Paxton	IL	60957-1533	2173790108
Plainfield Ice Cream Inc / Leaman, Ron	15925 S Route 59 Ste 101		Plainfield	IL	60586-9237	8154361776
Anup Fox Valley Corp / Patel, Pooja B / Patel, Bhavin J / Patel, Saurabh / Bhavsar, Janki H	648 S Weber Rd		Romeoville	IL	60446-4999	8155568091
Tanvi Inc / Patel, Rajiv J	29 Alexander Cir		Romeoville	IL	60446-1331	8158864300
Sweetest Moments LLC / Diaz, Antonio / Diaz, Hilda	261 E Irving Park Rd		Roselle	IL	60172-2004	6305291908
C & R Schaumburg Corp / Bhavsar, Chinar	520 S Roselle Rd		Schaumburg	IL	60193-2926	8479239233
Plainfield Ice Cream Inc / Leaman, Jane C	707 W Jefferson St Unit Q		Shorewood	IL	60404-7380	8157290400
Gordon Dairy Queen Ltd / Gordon, Steven / Gordon, Judy	712 McLean Blvd		South Elgin	IL	60177-1429	8476951922
Pledgemark Inc / Ehardt, George A / Ehardt, Margaret A	2450 N US Hwy 12 Unit N		Spring Grove	IL	60081-8339	8156750090
Anup Bartlett Corp / Bhavsar, Darshan / Bhavsar, Nivruti	140 N Barrington Rd		Streamwood	IL	60107-1984	6308300700
Gayatri Co / Thakkar, Ankit	7 S Sutton Rd		Streamwood	IL	60107-3367	6305504001
Nowak, Brian	211 E St Charles Rd		Villa Park	IL	60181-2419	6308322010
CORRAL FREEZERIA INC / Corral, Renelle	3s071 State Route 59		Warrenville	IL	60555-1533	6303932277
Paro, Randy / Paro, Peggy	802 E Walnut St		Watseka	IL	60970-1462	8154322037
K & K Ice Cream LLC / Patel, Nimisha	695 N Cass Ave		Westmont	IL	60559-1338	6305223187
H & S Icecream LLC / Patel, Rerish / Patel, Nimisha	102 W Liberty Dr		Wheaton	IL	60187-5124	6307657220
Patel, Swati / Patel, Anil	1289 E Butterfield Rd		Wheaton	IL	60187-8809	6304621723
WillowbrookDQ LLC / Troha, Steven A	7528 Clarendon Hills Rd		Willowbrook	IL	60527-2317	6303255090
C K Avalanche Corp / Singer, Christopher / Singer, Kathy	27w223 Geneva Rd		Winfield	IL	60190-2031	6306900320
Sajida LLC / Ahmed, Sajida	224 E Irving Park Rd		Wood Dale	IL	60191-2039	6304225269

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75Th Ice Cream LLC / Patel, Amit	2015 75th St		Woodridge	IL	60517-2308	6309858668
Rc Castaneda LLC / Castaneda, Rafael	310 Washington St		Woodstock	IL	60098-3309	8155277088
First Step Venture Inc / Stanuchenski, Wayne P / Stanuchenski, Cheryl A	190 S Union St		Lawrence	MA	01843-1609	9786870682
Ventrillo, Ralph / Ventrillo, Joanne	286 N Main St		North Reading	MA	01864-1335	9786642277
T.T.T.T. Inc / Theofilopoulos, Angelo	96 Elm St		Salisbury	MA	01952-1804	9784652456
Web Concepts LLC / Oudekerk, Troy	2530 Bridge Ave		Albert Lea	MN	56007-2079	5073739583
Weins, Kathy / Weins, Michael (Estate)	1200 W Oakland Ave		Austin	MN	55912-2244	5074331369
Nissen Inc / Nissen, Craig H / Nissen, Sharla R / Millner, Rene A / Nissen, Donell S	407 Frontage Road NE		Byron	MN	55920	5077752626
Topel Ice Cream Inc / Topel, Yoel B	311 Main St N		Chatfield	MN	55923-1102	5078673649
2 Dips & A Cone LLC / Penkert, Shae / Penkert, Pete / Karels, Heidi	232 E Hwy 60		Lake Crystal	MN	56055-2082	5077262503
Silver Crown LLC / Stevens, Timothy J	2001 Adams St	Suite 100	Mankato	MN	56001-6817	5076256732
Galli Storm, Jorae	25 Stoltzman Rd		Mankato	MN	56001-2462	5073886451
Spratte, Tim	538 N Broadway		Rochester	MN	55906-3652	5072883863
King, Michael / King, Kari	320 12th St SE		Rochester	MN	55904-7466	5072828633
Kane, Timothy	4140 E Frontage		Rochester	MN	55901-0128	5072810762
Cups and Cones LLC / Mosch, Ryan / Mosch, Ashley	920 N Main St		Stewartville	MN	55976-1202	5075338540
Nissen Inc / Nissen, Craig H / Nissen, Sharla R / Millner, Rene A / Nissen, Donell S	1440 W Broadway St		Winona	MN	55987-2348	5074526090
Nissen Inc / Nissen, Craig H / Nissen, Sharla R / Millner, Rene A / Nissen, Donell S	965 Mankato Ave		Winona	MN	55987-4870	5074540310
Hellegaard, Kevin / Hellegaard, Jody	535 5th Ave		Havre	МТ	59501-4007	4062657221
Bva2 LLC / Amsk, Dave / Amsk, Nick	1017 W Park St		Livingston	МТ	59047-2535	4063332544
A & M Inc / Auger, James / Mandell, Arthur / Mandell, Joann	1735 S Higgins Ave		Missoula	МТ	59801-5765	4065496075
Anika Foods Inc / Ghetia, Amit K	Eastway Crossing Shopping Ctr	3054 Eastway Dr	Charlotte	NC	28205-5642	9803351164

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Carolina Dairy Queens Inc / Soles, Timothy L / Soles, Carol L	Carolina Mall	1480 Concord Pkwy N Unit 88	Concord	NC	28025-2831	7049184224
Dairy Queen of Wilmington Inc / Whisenant, Clyde J	5701 E Oak Island Dr		Oak Island	NC	28465-5038	9102785371
MrDQs LLC / Utley, Robert	1004 W Innes St		Salisbury	NC	28144-4039	7046368653
Hartness LLC / Hartness, Amanda B	2143-D Statesville Blvd		Salisbury	NC	28147-1413	7046376110
Dairy Queen of Wilmington Inc / Whisenant, Clyde J	20 Naber Dr		Shallotte	NC	28470	9107542999
Dairy Queen of New Hanover and Brunswick Counties Inc / Whisenant, Clyde J	106 Southport Supply Rd		Supply	NC	28462-3360	9107549692
Dairy Queen of Wilmington Inc / Whisenant, Clyde J	1517 Dawson St		Wilmington	NC	28401-6034	9107631650
Dairy Queen of Wilmington Inc / Whisenant, Clyde J	5901 Oleander Dr		Wilmington	NC	28403-4717	9107992902
Denton Inc / Anderson, Gaylon / Anderson, Robin	913 Burlington Dr		Bismarck	ND	58504-9520	7012554155
Denton Inc / Anderson, Gaylon / Anderson, Robin	230 W Broadway Ave		Bismarck	ND	58501-3736	7012230548
Denton Inc / Anderson, Gaylon / Anderson, Robin	1804 N 13th St		Bismarck	ND	58501-1971	7012584438
Qd Pie LLC / Kuhns, Jennifer L / Kuhns, Dean L / Kuhns, Judy A / Kuhns, Dave L	1209 N Fifth St		Grand Forks	ND	58203-2446	7017723801
Brabandt Enterprises LLC / Brabandt, Todd / Brabandt, Karen	215 14th Ave SW		Minot	ND	58701-5838	7018394131
Dairy Queen of Alliance Inc / Wilcox, Wren V	719 Flack Ave		Alliance	NE	69301-3514	3087623387
Ronne, Kevin L / Ronne, Patricia D	1421 S Eddy St		Grand Island	NE	68801-7105	3083984637
Stehlik Family Real Estate LLC / Stehlik, Frederick D	2410 S 11th St		Nebraska City	NE	68410-3493	4028737956
White Horse Enterprises LLC / Wenz, Lisa / Wenz, Robert	310 White Horse Pike		Absecon	NJ	08201-9565	6096465413
Bergen Creamery LLC / Michelis, Dimitrios / Minnetian, Aram	47 B W Allendale Rd		Allendale	NJ	07401-1701	2012368083
Ry Kris Corporation / Kelly, Francis / Kelly, Michelle	208 Broadway		Barnegat Light	NJ	08006-0455	6094945115
Rockheart Inc / Rauchbach, Fred / Rauchbach, Monica / Rauchbach, Steven / Geyer, Megan / Rieger, Jessica / Peeples, Ellen	493 US Hwy 9		Bayville	NJ	08721-1850	7326060610
Menegatos, Konstantin / Menegatos, Gerasimos	827 12th Ave		Belmar	NJ	07719-2751	7326811262
Adya Inc / Sharma, Rahul / Sharma, Damini	109 Morristown Rd		Bernardsville	NJ	07924-2337	9087661756

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Pitaur Inc / Kashishian, Tracy	407 US Hwy 206		Branchville	NJ	07826-6015	9739484008
Hartol Inc / Harp, John F / Harp, Susan T	Browns Mills Shopping Ctr	100 Pemberton Browns Mills Rd Unit A	Browns Mills	NJ	08015-3127	6098934240
G & N - M G M Inc / Condit, William / Condit, Lois	182 Westfield Ave		Clark	NJ	07066-1539	7325749696
Heartrock Inc / Rauchbach, Fred / Rauchbach, Monica / Rauchbach, Steven / Geyer, Megan / Rieger, Jessica / Peeples, Ellen	337 N Ave E		Cranford	NJ	07016-2445	9082727114
East Windsor Creamery Inc / Tasoz, Ulus / Poshka, Elmas	545 US Hwy 130 N		East Windsor	NJ	08520-2624	6094484858
Miglani, Chander / Miglani, Anju	1123 Inman Ave		Edison	NJ	08820-1132	9083222829
Patogas & Management Property Holdings LLC / Menegatos, Konstantin / Menegatos, Gerasimos	13 Kinderkamack Rd		Emerson	NJ	07630-1827	2012621350
MFR82 Inc / Rauchbach, Fred / Rauchbach, Monica / Rauchbach, Steven / Geyer, Megan / Rieger, Jessica / Peeples, Ellen	701 Park Ave		Freehold	NJ	07728-2378	7328451144
Shaffer Corporation / Shaffer, Michael A	1123 Stuyvesant Ave		Irvington	NJ	07111-1011	9737572428
Becker, Brian	513 Westside Ave		Jersey City	NJ	07304-1517	2014328257
Paradise Ice Cream LLC / Naibzada Sr, Ghulam Y / Naibzada Jr, Ghulam Y / Naibzada, Alya	420 US Highway 46		Kenvil	NJ	07847-2675	9735849234
Calm LLC / Knehr, Carol / Knehr, Charles / Knehr, Matthew / Knehr, Lindsey	3251 Route 35 N		Lavallette	NJ	08735-1534	7322504905
Warncke, Gregg V / Warncke, John J	673 Newman Springs Rd		Lincroft	NJ	07738-1721	7327474569
Lmb of Linden Inc / Horsch, Paula / Horsch, Randy Allen	446 N Wood Ave		Linden	NJ	07036-4145	9089257849
Mi Mi & Gi Gi LLC / De Gregorio, Anthony	272 Liberty Ave		Little Ferry	NJ	07643-1392	2013731444
Gul1 LLC / Tasoz, Ulus	117 Franklin Tpke		Mahwah	NJ	07430-1363	2015294446
Const Brothers Inc / Constantinou, James / Constantinou, Michael	97 Atlantic Ave		Manasquan	NJ	08736-2918	7322232199
Jt Food Group LLC / Jackey, Steve / Testa, Eddie	1013 Route 70 Unit 6A		Manchester	NJ	08759-5804	8482587993
Stoll, Walter	125 Chestnut Ridge Rd		Montvale	IJ	07645-1707	2013913684
On The Lake LLC / Dal Lago, Steven A / Dal Lago, Michael R / Dal Lago, Carl H / Dal Lago, Joseph F / Capitani, Jean Marie	1033 River Rd Ste D		New Milford	NJ	07646-3119	2018362253
Wildrick-Devries, Debra	37 Hampton House Rd		Newton	NJ	07860-1408	9733834780
Poulakos, Dimitrios / Poulakos, Elisa	6903 Kennedy Blvd		North Bergen	NJ	07047-3736	2018690910

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Don DQ LLC / Martin, Donald	423 W Spruce Ave		North Wildwood	NJ	08260-3029	6097291740
244 Livingston St LLC / Kersting, Joseph	254 Livingston St		Northvale	NJ	07647-1996	2017502030
Morrissey Ice Cream LLC / Morrissey, Michael	186 Ramapo Valley Rd		Oakland	NJ	07436-2524	2013375627
S & T Amusement Co Inc / Simpson, Scott	1020 Boardwalk		Ocean City	NJ	08226-3335	6093980064
D5 Ice Cream LLC / Dipalma, Frank / Dipalma, Johnna	216 Old Tappan Rd	26 Bi-State Plaza	Old Tappan	NJ	07675-7003	2016649664
MDDF Enterprises LLC / Dibella, Michael A	176 Kinderkamack Rd		Park Ridge	NJ	07656-1384	2013915262
You & Mei LLC / Mei Shi, Zhong / You Lin, Hong	5700 S Crescent Blvd		Pennsauken	NJ	08109-1643	8564881717
Albanese and Daughters Inc / Albanese, Joseph M / Albanese-DeMair, Donna / Albanese-DeMair, Richard	1367 South Ave		Plainfield	NJ	07062-1943	9087555994
Point Ice Cream Delights / Viecelli, Alex / Viecelli, Debby	2506 Bridge Ave		Point Pleasant Boro	NJ	08742-4259	7328925700
Dellaportas, Iliana	735 E Hazelwood Ave		Rahway	NJ	07065-5603	7323884329
Razo Sweet LLC / Naibzada Jr, Ghulam Y / Naibzada, Alya	746 State Rte 10		Randolph	NJ	07869-1903	9733663306
K & J LLC / Pachuta, Katie / Pachuta, Jane	Chapel Hill Shopping Ctr	449 State Rte 35	Red Bank	NJ	07701-5036	7327413433
Chang, Donald Teng-Fa	550 Broad Ave		Ridgefield	NJ	07657-2315	2019450933
Almic Inc / Lenge, Douglas	130 Skyline Dr		Ringwood	NJ	07456-2019	9739624379
R&DDQ LLC / Martin, Donald / Martin, Richard	1613 Route 47		Rio Grande	NJ	08242-1411	6098869950
Eysu Inc / Tasoz, Sukru / Tasoz, Ulus	449 Rochelle Ave		Rochelle Park	NJ	07662-3325	2012261411
Menegatos, Konstantin / Menegatos, Gerasimos	234 Park Ave		Rutherford	NJ	07070-2312	2019333990
Petaccia, George	430 Market St		Saddle Brook	NJ	07663-5928	2018434577
Don 3XDQ LLC / Martin, Donald / Martin, Richard / Chapman, Joseph	3600 Boardwalk	Unit 15	Sea Isle City	NJ	08243-2131	6094786589
Rmm Corporation / Smithson, Peter / Smithson, Dawn	501 Shore Rd		Somers Point	NJ	08244-2414	6099274835
Schwartz, Bernie	982 US Highway 9		South Amboy	NJ	08879-3320	7327213099
Shoreline Financial Group LLC / Franco, Paul J	326 96th St		Stone Harbor	NJ	08247-1404	6099675150

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Zada Ice Cream LLC / Naibzada Jr, Ghulam Y / Naibzada Sr, Ghulam Y	247 State Rt 23		Sussex	NJ	07461-3101	9738757020
Petaccia, Frank Arthur	260 Teaneck Rd		Teaneck	NJ	07666-4043	2018361597
Four Scoops Inc / Jackey, Steve / Jackey, Valerie	931 Fischer Blvd Ste 9		Toms River	NJ	08753-3834	7322880099
Jems 82 LLC / Rauchbach, Fred / Rauchbach, Monica / Rauchbach, Steven / Geyer, Megan / Rieger, Jessica / Rauchbach, Ellen	634 Arena Dr		Trenton	NJ	08610-3400	6098881003
Vernon Creamery LLC / Van Pelt, Michael / Donohue, Denise	260 State Rt 94		Vernon	NJ	07462-3347	9738278600
Washington Treats Co Inc / Bernstein, Marc	231 State Route 31 S		Washington	NJ	07882-4068	9086890619
Bergen Creamery LLC / Michelis, Dimitrios / Minnetian, Aram	291 Pascack Road		Washington Township	NJ	07675	2013830137
Afc III Inc	Willowbrook Mall	3117 Willowbrook Mall	Wayne	NJ	07470-6943	9737850059
C&A Cold Projects Inc / Tasoz, Ulus / Poshka, Elmas	Preakness Shopping Center	1220 Hamburg Turnpike	Wayne	NJ	07470	9737068082
Shakes & Cakes LLC / Menegatos, Konstantin / Menegatos, Gerasimos	259 Marshall Hill Rd		West Milford	NJ	07480-3521	9737281212
Magnolia RLD LLC / D'Amico Jr, Richard J / Dwyer, Thomas D	2816 Boardwalk		Wildwood	NJ	08260-5418	6095223669
Ramco Inc / D'amico Jr, Richard / D'amico Sr, Richard	5300 Boardwalk, Unit #8		Wildwood	NJ	08260-5449	6097291355
E & C Gallucci Inc / Gallucci, Christopher / Gallucci, Erin	3922 Boardwalk		Wildwood	NJ	08260-5433	6097291900
G & G of Wyckoff Inc / Petaccia, George / Frazza, Linda / McBain, Kevin	299 Franklin Ave		Wyckoff	NJ	07481-2845	2018911229
Watkin Bc LLC / Kantaria, Nish / Kantaria, Amin	1212 Nevada Hwy		Boulder City	NV	89005-1841	7029851212
Pecos LLC / Le, Jeremy	2607 Windmill Pkwy		Henderson	NV	89074-3384	7028961013
RC & W Partners / Mauszycki, Randy / Panzica, Wayne / Singer, Charles	4505 S Maryland Pkwy	Thomas & Mack Center	Las Vegas	NV	89154-9900	7027370700
My Cone LLC / Hein, Jessie	4438 N Rancho Blvd		Las Vegas	NV	89130-3406	7027983765
MMPR Rainbow Hospitality LLC / Kalra, Ramandeep	4010 S Rainbow Blvd, Ste A		Las Vegas	NV	89103-2064	7252049434
Dor Investments LLC / Dean, Glenn / Ortiz, Martha / Ryshkus, Anna	7400 Las Vegas Blvd S	Space #FC25	Las Vegas	NV	89123-1000	7022203765
MMPR Durango Hospitality LLC / Kalra, Puja / Kalra, Ramandeep Singh	7785 N Durango Dr Ste 100		Las Vegas	NV	89131-8001	7024788278
Vegas Cream LLC / Hein, Lynnette M / Hein, Jessie	4036 N TENAYA WAY		LAS VEGAS	NV	89129-6586	7023957387

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Mkfusion LLC / Rhee, Moon	7501 W Lake Mead Blvd Ste 105		Las Vegas	NV	89128-0286	7023632240
Jonmar Inc / Adison, John H / Adison, Marge K / Adison, James C	Excalibur Hotel & Casino	3850 Las Vegas Blvd S	Las Vegas	NV	89109-4324	7028759175
Midjit Market Inc / Crawford, Richard T	290 N Sandhill Blvd		Mesquite	NV	89027-4793	7023466350
Puri Ventures LLC / Puri, Sachin	Aliante Station	7300 Aliante Pky	North Las Vegas	NV	89084-2502	7026494004
Johnson, Sandra Sue / Johnson, Keith (Estate)	127 E Main St		Bainbridge	ОН	45612	7406342322
Peters, Todd / Peters, Alana	618 Dover Center Rd		Bay Village	ОН	44140-3308	4408351929
DQR15879 LLC / Gerken, Timothy J / Gerken, Joel M	434 E Wooster St		Bowling Green	ОН	43402-2926	4193528042
DQTW LLC / Baker, Geoffrey R / Dyrcz Jr, Frank	108 Wilson Mills Rd		Chardon	ОН	44024-1343	4402859796
Chesterland Dairy Queen Inc / Baker, Geoffrey R	8423 Mayfield Rd		Chesterland	он	44026-2523	4407292663
Peters, Todd / Peters, Alana	3354 Warren Rd		Cleveland	ОН	44111-2031	2162517989
South Euclid Dairy Queen / Blankenship, Dallas R	3538 W 105th		Cleveland	ОН	44111-3838	2166880312
Neuzil, Kenneth D / Neuzil, Louann	5501 Memphis Ave		Cleveland	ОН	44144-2211	2163988538
Holsinger Sr, Eric / Holsinger, Reshell	2639 Indianola Ave		Columbus	ОН	43202-2428	6142636586
l Scream 4-Euclid LLC / Repchick, Wendy / Zydyk, James	435 E 200th St		Euclid	ОН	44119-1560	2164860929
Wolph, Vincent E / Wolph, Alexandra	1204 N County Line St		Fostoria	ОН	44830-1934	4194357858
Mycroft, Brian J / Mycroft, Christy L	980 W Main St		Hillsboro	ОН	45133-1226	9373932344
Yankee, Michael D / Yankee, Karen K	840 W Lima		Kenton	он	43326-1081	4196757214
Lakewood Dairy Queen Inc / Rush, Adriane	16803 Detroit Rd		Lakewood	он	44107-3619	2165217763
Mum Inc / Tanner, Timothy R / Tanner, Carolyn M	580 Columbus Ave		Lebanon	ОН	45036-1604	5139325946
Moenter, Jerome A	1225 Allentown Rd		Lima	он	45805-2432	4192244926
Moenter, Jerome A	2805 Shawnee Rd		Lima	ОН	45806-1446	4199918199
Leininger, Fred / Leininger, Gary	9322 State Rte 45		Lisbon	ОН	44432-9505	3304243762

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Capel-Hagara, Diane	1907 Hubbard Rd		Madison	он	44057-2105	4404286880
MulherinDQ LLC / Mulherin, Patrick T	273 Glessner Ave		Mansfield	он	44903-2310	4195227774
Mulherin, Michael	309 Ashland Rd		Mansfield	он	44905-2405	4195224883
Adkins, Jeff / Adkins, C Jean	561 N Main St		Marion	он	43302-2330	7403823838
Cfb Marysville Foods LLC / Cannizzaro, John F / Fraser, Don W / Bridges, Robert L	816 Columbus Ave		Marysville	ОН	43040-1722	9376424671
Riddhi Treat LLC / Patel, Sunil B / Patel, Upeshkumar K	2364 Kings Center Court		Mason	ОН	45040-2333	5135739993
Jnt Holdings LLC / Traffis, Jeffrey N	5713 Mayfield Rd		Mayfield Heights	он	44124-2917	4404426903
GIDQ LLC / Holloway, Marie	Great Lakes Mall Space #874	7850 Mentor Ave #4	Mentor	он	44060-5582	4409745993
Mol DQ LLC / Baker, Geoffrey R	7695 Lake Shore Blvd		Mentor	он	44060-3382	4402575588
Carroll, Leeann F	326 S Main St		Miamisburg	он	45342-2912	9378661611
DQ Paines LLC / Holloway, Marie	2008 Mentor Ave		Painesville	он	44077-1326	4403543322
Neuzil, David S / Neuzil, Pamela A	5342 Ridge Rd		Parma	он	44129-1455	4408860677
Rocky River Dairy Queen LLC / Rush, Adriane	21665 Center Ridge Rd		Rocky River	он	44116-3917	4403337763
Make Inc / Kellermeyer, Larry / Kellermeyer, Joyce	1240 Celina Rd		Saint Marys	он	45885-1205	4193942916
Kplus Inc / Payne Iii, Fred	220 W Central Ave		Springboro	он	45066-1189	9377484567
Mycroft, Brian J / Mycroft, Christy L	205 W Court St		Washington Court House	он	43160-1342	7403351660
CLM LLC / Unis, Mitchell / Unis, Lisa	2625 Broadhead Rd		Aliquippa	PA	15001-2979	7242034272
Q & M Inc / Qu, Lanny	3569 Hulmeville Rd		Bensalem	PA	19020-4311	2675235899
Steighner, Clair	1745 N Main St		Butler	PA	16001-1327	7242831116
Acord, Richard A	362 Pittsburgh Rd		Butler	PA	16002-3985	7245869277
Triple Rich East Inc / Ritchie Jr, Raymond E	1620 E Lincoln Hwy		Coatesville	PA	19320-2406	6103842761
J & J Group Usa Inc / Min, Judith / Min, Joseph	1662 Butler Pike		Conshohocken	PA	19428-1227	6108259059
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Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Rsc Associates Inc / Bell, Denise	1225 Horseshoe Pike		Downingtown	PA	19335-1152	6102695788
Knisley Dolan, Kathryn E / Knisley, Frank G	106 N Main St		Dublin	PA	18917-2106	2152493246
D D T Enterprises / Yaple, David H / Yaple, Karen L	4219 Iroquois Ave		Erie	PA	16511-2132	8148998655
Triple Rich East Inc / Ritchie Jr, Raymond E	416 W Lincoln Hwy		Exton	PA	19341-2506	6103634848
Damb Corporation / Barr, Dean A	The Shops On Eagleview Boulevard	240-242 Eagleview Blvd	Exton	PA	19341-1157	6102809115
Elite Silver and Rugs Co LLC / Alnobani, Raja B	1515 Idaho St		Farrell	PA	16121-1281	8782024081
Jckd Inc / Tashjian, Gregg E	Lincoln Court Shopping Center	235 Lancaster Ave	Frazer	PA	19355	6106472496
Queendreams 19Gc / Shaffer, Carla	904 W Main St		Grove City	PA	16127-1116	7244588166
Samsel, Chris	261 Harleysville Pike		Harleysville	PA	19438-1704	2152564200
Fazili Holdings LLC / Fazili, Badri Munir	110 W Moreland Ave		Hatboro	PA	19040-1805	2156741888
HGPartners Corp / Gluck, Hershy	1936 County Line Rd		Huntingdon Valley	PA	19006-1738	2676846389
Sucrose Concessions LLC / Treacy, Kathy K / Childs, Caleb	622 Welsh Rd		Huntingdon Valley	PA	19006-6302	2159471227
Bt&P Enterprises Inc / Caughey, Pamela J / Caughey, Todd J	1244 College Ave		Jeannette	PA	15644-6605	7245235522
Rchj Inc / Laskey, Daniel J / Carpani, David A	Vfspg Ctr	138 Town Center Rd	King Of Prussia	PA	19406-2331	6103372549
North Penn Soft Serve Inc / Giaimo, John Jr	1551 S Valley Forge Rd		Lansdale	PA	19446-5461	2158550229
Dudley Enterprises Inc / Miller, Theresa L / Miller, Jon Dean	15 Terry Way		Latrobe	PA	15650-2755	7245375441
2Siblings LLC / Yang, Daniel / Yang, Brittany M	637 E Welsh Rd		Maple Glen	PA	19002-2911	2674198582
Patel, Manojkumar / Sutariya, Kamal M	1152 Midland Ave		Midland	PA	16066	7246430802
Kupiec, John / Kupiec, Jean	55 S Delmorr Ave		Morrisville	PA	19067-7104	2157361885
Greco, Jennifer A	1801 Wilmington Rd		New Castle	PA	16105-1924	7246547073
Connie Mack Inc / Carpani, David	2629 W Main St		Norristown	PA	19403-1609	6105396260
Mgm DQ Inc / Mantsch, Michael C / Mantsch Sandra D	10362 W Main Rd		North East	PA	16428-2858	8147252253

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ParkDQ LLC / Smith, Michael J	West Sadsbury Commons Shopping Ctr	404 Commons Way, Unit B4	Parkesburg	PA	19365-2156	6108570050
Vernachio Enterprises Inc II/ Vernachio, Stephen / Vernachio, Denise	200 Constitution Ave Box 174		Perkasie	PA	18944-3929	2152577212
Bednar, Monica	3349 Pittsburgh Rd		Perryopolis	PA	15473-1013	7247368220
Wysocki, Douglas E	1619 Grant Ave	Grant Plaza	Philadelphia	PA	19115-3167	2156711270
Smith, Michael J	538 Kimberton Rd		Phoenixville	PA	19460-4737	6109331726
Vernachios Enterprises 4 / Vernachio, Stephen	6784 Easton Rd		Pipersville	PA	18974	2673625004
Chopra, Neena	2040 Plymouth Meeting Mall		Plymouth Meeting	PA	19462-1340	6108255607
Stephenboyd LLC / Skarbek, Stephen J / Skarbek, Heather L	301 N Lewis Rd Unit #80		Royersford	PA	19468-1531	6109484088
Vernachios Enterprises 3 / Vernachio, Stephen / Vernachio, Denise	108 Street Rd		Southampton	PA	18966-3106	2153554604
Dessel, Steven / Dessel, Cathy	1111 Easton Rd		Warrington	PA	18976-1845	2153431405
Thomas, David Paul	703 E Gay St		West Chester	PA	19380-4545	6106964678
Gatta, Gina Marie	1502 W Chester Pike		West Chester	PA	19382-7705	6107389199
JVDQ LLC / Barr, Paul (Estate) / Barr, Douglas R / Barr, John S	Shoppes At Jenners Village	851 W Baltimore Pike	West Grove	PA	19390-9189	6108695580
Senigo Enterprises LLC / Senigo, Tim	410 York Rd		Willow Grove	PA	19090-2663	2156577165
JhDQ LLC / James, Jeffrey S	321 N 4th St		Youngwood	PA	15697-1311	7249253730
Rushmore Canyon Inc / Jensen, Douglas L / Jensen, Julie A	504 N Ellsworth Rd		Box Elder	SD	57719-2015	6059239700
Hills Canyon Inc / Jensen, David R / Jensen, Nancy M	637 Main St		Deadwood	SD	57702	6057170406
Chowdhury & Syed Inc / Syed, Baharuzzaman / Chowdhury, Abdul B	1470-B N Beauregard St		Alexandria	VA	22311-5800	7039319400
Shah Paran Corporation / Syed, Baharuzzaman / Chowdhury, Abdul B	6446 Lansdowne Ctr		Alexandria	VA	22315-5003	7035502100
Tasneem Inc / Islam, Khan M N / Khanom, Mossammat A	44050 Ashburn Shopping Plz Ste 183		Ashburn	VA	20147-7916	7037269622
Desimone, Rick (Estate)	1502 Longwood Ave		Bedford	VA	24523-2209	5408744677
S Omar Ltd / Farooque, Omar	6050-E Burke Commons Rd		Burke	VA	22015-2878	7034262440

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Ss & Sa LLC / Adhikari, Nara N	13840 Braddock Rd Ste C		Centreville	VA	20121-2453	7032661036
Hrk Corporation / Khan, Mohammed A / Khan, Habibur R	13905a Metrotech Dr		Chantilly	VA	20151-3234	7032633316
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Mitch Inc / Md & D LLC / Dairy Queen of Virginia Inc	200 S Battlefield Blvd		Chesapeake	VA	23322-5226	7574825658
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Morrisette, Tom / Dairy Queen of Virginia Inc	3220 Western Branch Blvd		Chesapeake	VA	23321-5220	7576864817
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Morrisette, Tom / Dairy Queen of Virginia Inc	943 N Battlefield Rd		Chesapeake	VA	23320-4803	7573128989
Walcorp Inc / Waldrop, G Robert / Waldrop, Sally	2011 Boulevard Ave		Colonial Heights	VA	23834-2309	8045206080
DQ of Danville Inc / Arrington Jr, L David / Russell, Deborah A	2909 Riverside Dr		Danville	VA	24540-4152	4347912156
Ark Food LLC / Azad, Abul K / Akhter, Faouzia / Khan, Kamrun Nahar	5061 Waterway Dr		Dumfries	VA	22025-1259	7035801240
Joshi Ventures LLC / Joshi, Rohit / Joshi, Jignabahen	4028 N Cox Rd		Glen Allen	VA	23060-6701	8042701375
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Morrisette, Tom / Dairy Queen of Virginia Inc	219 Fox Hill Rd		Hampton	VA	23669-1745	7578481534
Zakaria, A Q M (Zaki)	742 Lynn St		Herndon	VA	20170-4601	7034816173
Thesylhet Inc / Syed, Baharuzzaman / Chowdhury, Abdul B	5810 Kingstowne Ctr Ste 150		Kingstowne	VA	22315-5711	7037199885
The Pantry Inc	152 Major Grahams Rd		Max Meadows	VA	24360-3477	2766376488
Dosani, Yasmeen	Patrick Henry Mall	12300 Jefferson Ave #716	Newport News	VA	23602-0006	7572495540
MADQ Granby LLC / Sandlin, J Mitch / Mitch Inc / Dairy Queen of Virginia Inc / Md & D LLC	9636 Granby St		Norfolk	VA	23503-1608	7575882395
Love's Travel Stops & Country Stores Inc / Love, Tom E / Love, Gregory M / Love, Frank C / Love, Judith M / Meyer, Jennifer L / Cameron, Laura L	23845 Rogers Clarke Blvd		Ruther Glen	VA	22546-3404	8044489822
S Omar Ltd / Farooque, Omar	25401 Eastern Marketplace Plz Ste 180		South Riding	VA	20152-5783	7033274686
Ss & Sa Lc / Adhikari, Sita / Adhikari, Nara	304 Maple Ave W		Vienna	VA	22180-5612	7032423820
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Morrisette, Tom / Dairy Queen of Virginia Inc	1585 General Boothe Blvd		Virginia Beach	VA	23454-5104	7574256762
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Morrisette, Tom / Dairy Queen of Virginia Inc	1093 Independence Blvd		Virginia Beach	VA	23455-5523	7573639432
Mid Atlantic Dairy Queen LLC / Sandlin, J Mitch / Morrisette, Tom / Dairy Queen of Virginia Inc	1324 Kempsville Rd		Virginia Beach	VA	23464-6102	7574741838
Holland Development / Maddox, Richard A	3843 Holland Rd		Virginia Beach	VA	23452-2856	7573212747

Franchisee Group	Address1	Address2	City	ST	Zip	Phone
Pilot Travel Centers LLC	1318 E Lee Hwy Ste C		Wytheville	VA	24382-3891	2762282522
Liebzeit, Steven J	2000 S Oneida St		Appleton	wı	54915-1906	9207386109
Liebzeit, Steven J	1813 N Richmond		Appleton	wı	54913-2011	9207396109
A&J Treats Inc / Gruse, Amy Elizabeth / Koslowski, Jason Lee	450 S Commercial		Neenah	wı	54956-2568	9207256531

# <u>EXHIBIT K</u>

Lists of direct-licensed and subfranchised DQ® Treat, DQ® Soft Serve Only, and Dairy Queen®/Limited Brazier® franchises Whose Franchise Agreements Were Terminated or Transferred

#### Franchise Terminations in 2022

City	ST	Zip	Franchisee Group	Phone	Reason
Escondido	CA	92025-8005	Fourteen Capital Group Inc / Syed, Abutalib / Zainab, Kaneez / Naqvi, Zeeshan	7607375100	Franchisee Closure
Santa Rosa	CA	95401-6304	Ganhara Foods LLC / Lie, Andrew K / Lie, Rani G	7075769502	Expiration
Westminster	CA	92683-4901	WTF Kami Inc / Kim, Peter S	562-713-8255	Expiration
Newark	DE	19702-3208	Christiana Treats LLC / Jordan, Michael D / Fisk Iii, Charles L	3027375958	Franchisee Closure
Buford	GA	30519-4975	Patel Treats LLC / Patel, Vimal	6784826084	Expiration
Carnesville	GA	30521-3309	Pilot Corporation	7063842424	Mutual Cancellation
Jackson	GA	30233-6131	Pilot Corporation	7705041146	Mutual Cancellation
Kamuela	ні	96743-7305	Jan & Jon LLC / Guastalli, Janet M / Adams, Jon S	8088871139	Expiration
Belvidere	IL	61008-6012	Sahaj Foods Inc / Patel, Ghanshyam P / Patel, Ruchit P / Patel, Pravinchandra M	8155441500	Expiration
Henry	IL	61537-1501	Noder, Matthew E	3093643100	Franchisee Closure
Morton	IL	61550-2032	Carius & Carius / Carius, Curt J / Carius, James A / Carius, Gert V	3092637033	Franchisee Closure
New Castle	IN	47362-2107	Conby Inc / Huckeby, Phillip E (Estate) / Huckeby, Linda L (Estate)	7655295667	Terminated
Wanatah	IN	46390-9542	R Kids Inc / Vinyard, Theodore L / Vinyard, Mary Beth	2197339653	Franchisee Closure
Ruston	LA	71270	Quarles Restaurant Group LLC / Quarles, Michael D / Quarles, Kelly R	3182023383	Franchisee Closure
Bethesda	MD	20817-1018	Qing Qing Inc / Chu, Hsiu Hua	3013658200	Expiration
Hagerstown	MD	21740-9559	4-M Enterprises Inc / McLaughlin, David C / Pitcher, Marchel C	2403622500	Expiration
Hanover	MD	21076-1283	S&R Creamery LLC / Chan, Jason L / Tse, Sau Wa	9173789827	Expiration
Ocean City	MD	21842-4710	AIC of MD Inc / Ramadan, Mohamad S	4433732677	Franchisee Closure
Ocean City	MD	21842-3552	AIC of OC Inc / Ramadan, Mohamad S	4433732674	Franchisee Closure
Grand Rapids	MI	49504-6261	Sean Diego Inc / Makowski, Sean A	6162350102	Franchisee Closure
South Haven	МІ	49090-1495	Brecht Enterprises LLC / Brecht, Fred / Brecht, Janet	2697677492	Franchisee Closure
Virginia	MN	55792-3513	Tim's Treats Inc / Vansoest, Timothy N / Vansoest, Andrea L	2187491495	Franchisee Closure

#### Franchise Terminations in 2022

City	ST	Zip	Franchisee Group	Phone	Reason
Winnemucca	NV	89445-4208	Khourys Inc / Bassam Issa Khoury Family Revocable Living Trust / Ghassan Issa Khoury Family Revocable Living Trust / Khoury, Bassam Issa / Khoury, Mary Nawal K / Khoury, Ghassan Issa / Khoury, Miriam R	7756258200	Franchisee Closure
Akron	ОН	44333-3337	Jns Inc / Thaker, Dishita N / Thaker, Nitin P	3308366731	Expiration
Carnegie	PA	15106-3601	Bodnar, Anna M	4122762008	Franchisee Closure
Pennsdale	PA	17756-8076	Insinger, Ronald E	5703370676	Franchisee Closure
Philadelphia	PA	19106-2311	Santram Krupa Inc / Patel, Hasuben	2156274200	Franchisee Closure
Pittsburgh	PA	15237-3870	Ross Park Mall Treatworks Inc / Sullivan, Claudea M	4126309700	Expiration
Bishopville	SC	29010-8932	Pilot Travel Centers LLC	8034282035	Mutual Cancellation
Blacksburg	SC	29702-7377	Pilot Travel Centers LLC	8649363777	Mutual Cancellation
Latta	SC	29565-4225	Pilot Travel Centers LLC	8437520033	Mutual Cancellation
Saint George	SC	29477-8944	Pilot Travel Centers LLC	8435639095	Mutual Cancellation
Winnsboro	SC	29180-9607	Pilot Travel Centers LLC	8034826715	Mutual Cancellation
Lebanon	TN	37090-5352	Pilot Travel Centers LLC	6154538991	Mutual Cancellation
West Valley City	UT	84119-3746	The Teton Group LLC / Hendricks, Todd K / Crapo, Conn J / Crapo, George M (Estate)	8019641102	Expiration
Union Gap	WA	98903-1690	Frozen Treats Holdings Inc / Miller, Jeffrey S / Miller, Shawna K / Miller, Patrick T / Miller, Anna M / Satterfield, Thomas A / Satterfield, Traci A	5098961879	Expiration
Janesville	WI	53545-4220	Hirsch-E-Treats Inc / Hirsch, Thomas F / Hirsch, Victoria L	6087580755	Franchisee Closure
Portage	WI	53901-9664	TA Operating LLC / Travelcenters of America LLC	6087421045	Franchisee Closure

#### Franchise Transfers in 2022

City	ST	Seller(s) / Business Name(s)	Phone	Comment
		*Transfers where seller sold interest in this particular store, but remains a franchisee for other	store(s)	
Estero	FL	Sth Inc of Swfl / Hendricks, Scott T	2393901428	
Terre Haute	IN	Merjan LLC / Bonebrake, Merrill L / Bonebrake, Janice M	812-878-6654	
Terre Haute	IN	Merjan LLC / Bonebrake, Merrill L / Bonebrake, Janice M	812-878-6654	
Oak Grove	мо	Oak Grove 70 Truckstop Inc. / Iowa 80 Group Inc / Meier, Delia Moon	5634685230	
Wilson	NC	SMZ Inc / Hamad, Samer A / Mansfield, Mark F	2523429294	Family Transfer
Merrimack	NH	Dion, David C	6033150244	
Tonawanda	NY	Palmeri's & Son Inc / Palmeri Sr, Michael A / Palmeri, Colleen M	716-478-5133	Family Transfer
Tishomingo	ОК	Lay, Scott A	903-877-4128	Removed Partner
West Mifflin	PA	VsDQ Inc / Skerbetz, Sandra J	412-613-6854	
	-	*Transfers where seller sold interest in this particular store, and has left the system		
Chula Vista	CA	Lee, Thomas C / Lee, Claire M	619-866-1482	
Cypress	CA	Rs Tan Inc / Tan, Richard W / Tan, Sue C	714-791-5615	
Yucaipa	CA	Queen Jen Inc / Conroy, Jenifer S	310-408-1209	
Aurora	со	Doty, Debra A (Estate)	303-204-2784	Deceased
Colorado Springs	со	Doty, Debra A (Estate)		Deceased
Colorado Springs	со	Doty, Debra A (Estate)		Deceased
Firestone	со	Doty, Debra A (Estate)		Deceased
Lakewood	со	Doty, Debra A (Estate)		Deceased

Franchise Transfers in 2022

City	ST	Seller(s) / Business Name(s)	Phone	Comment
Lone Tree	со	Doty, Debra A (Estate)		Deceased
Wheat Ridge	со	Doty, Debra A (Estate)		Deceased
Windsor	со	Elkhorn Park Corp / Baker, Thomas L	970-571-8765	
Fairfield	СТ	Frattaroli, Nicholas J	6036772622	
North Haven	СТ	Christophers Ice Cream Enterprise LLC / Christopher, Kelly J	203-605-6188	
Bradenton	FL	Doty, Debra A (Estate)		Deceased
Coconut Creek	FL	Sweet Eats II Inc / Mills, Scott D / Mills, Shannon	954-857-3926	
Key West	FL	Buffalo Gals LLC / Delio, Lisa P / Romain, M Nancy	3053040877	
Pembroke Pines	FL	Kamrose Inc / Fox, Diane K	9544335131	
Honolulu	ні	K2 Pacific Inc / Kung, Linda L (Estate)	8082500628	
Keokuk	IA	Daughters, Alan D / Daughters, Christine M	3196708322	Family Transfer
Waverly	IA	Hobson, Floyd R / Hobson, Sheryl A	319-415-5723	
Fox Lake	IL	Mordawski, Lawrence	847-421-9653	
Macomb	IL	Clanin, James W	3093332571	
Berkley	МІ	Manju Inc / Manju, Walid A / Manju, Ban S	204-770-3614	
Canton	мі	JK Delights LLC / Daniels, Joseph D / Daniels, Kathryn M	2482072494	
Тгоу	мі	E & YPN Corporation / Kim, Young Seok	2485619870	
Roseville	MN	S & B Karmelkorn Shoppes LLC / Braasch, Deborah L	763-438-3818	
South Saint Paul	MN	Lundquist, Karen L	651-260-9331	

Franchise Transfers in 2022

City	ST	Seller(s) / Business Name(s)	Phone	Comment
Rockingham	NC	Treats of Rockingham Inc / Waterman, Patricia R (Estate)	910-995-1876	
Laconia	NH	Lakeshore Deli LLC / Merrill, Michael J / Merrill, Michelle T	203-259-5659	
Albuquerque	NM	Judy's DDN Inc / Garcia, Daniel F / Garcia, Judy M	5054507543	
Hamburg	NY	Lazarony Jr, Charles J	716-698-8339	Family Transfer
Harrisburg	PA	Weaver, Leroy / Weaver, Pamelia	717-766-5817	
Sinking Spring	PA	Tracie's Paradise Inc / Lutz, Kevin P / Lutz, Deborah L / Sottasante, Bernice M	4849550652	
Temple	PA	MBB & Jim Inc / Lutz, Kevin P / Lutz, Deborah L	4849550652	
Cumberland	WI	Clark, Laura L	715-419-0650	
De Pere	WI	Nulund Group LLC / Peds LLC / Soderlund, Mark E (Estate) / Soderlund, Margaret M / Taj Enterprises LLC / Nugent, Peter T	920-434-9977	

Sublicense Terminations in 2022

City	ST	Zip	Franchisee Group	Phone	Reason
Miami	FL	33143-1809	Homer Lee Inc / Lee, Jian Ping / Li, Yan	3056677016	Franchisee Closure
Lombard	IL	60148-4744	Kedal Management LLC Series A / Ledwidge, Christopher A	6302611390	Franchisee Closure
Rochester	MN	55902-3135	Houdek Development LLC / Houdek, Larry D / Henley, John R / Stewart, Jeffrey A	5072826633	Franchisee Closure
Kimball	NE	69145-1547	Fiehtner, Jeffrey L / Fiehtner, Debra A	3082352874	Franchisee Closure
Hazlet	NJ	07730-4117	Jacks Ice Cream LLC / Vranken, Jack G / Vranken, Young Mi	7327874100	Franchisee Closure
Hazlet	NJ	07730-1526	Sawicki, Stanley J / Kang, Young Nyoung	7327390064	Franchisee Closure
Ambler	PA	19002-1143	Abm Brothers LLC / Hameid, Ebtesam / Hameid, Azmi	2156284494	Franchisee Closure
Glenside	PA	19038-3832	Qd Delicatessen LLC / Quigg, Eilish	2158869985	Franchisee Closure
Mechanicsville	VA	23111-3626	Delford LLC / Ford III, Jesse Ryland	8047467100	Franchisee Closure

### Sublicense Transfers in 2022

City	ST	Seller(s) / Business Name(s)	Phone	Comment
		*Transfers where seller sold interest in this particular store, but remains a franchisee for other	store(s)	
Diamond	IL	Minit Mart LLC / Eg Retail America LLC	8152633127	
Allendale	NJ	Ceyda1 LLC / Tasoz, Sukru / Tasoz, Ulus	(201) 381-9923	
Washington Township	NJ	Ayla 1 LLC / Tasoz, Ulus	201-213-8766	
		*Transfers where seller sold interest in this particular store, and has left the system		
Payson	AZ	Sweet Investment LLC / Nilsen, Bradley R / Vandruff, John E	9284724675	
Story City	IA	Slammr LLC / Foss, Carol M / Foss, Thomas A	(515) 708-2668	
Cary	IL	Cary DQ LLC / Wesson, Mark B	(847) 997-4339	
Naperville	IL	Abraham, Judith / Abraham, Robert A	630-453-7916	Family Transfer
Naperville	IL	Moloney, Karen (Estate)		Deceased
Warrenville	IL	Khan, Irshad	6302297101	
Chatfield	MN	DQ917 Inc / Martinka, John R / Martinka, Holly C	507-251-0779	
East Windsor	NJ	The Ice Cream Man LLC / Vardakis Jr, George	6095401807	
Vernon	NJ	Vernon Dairy LLC / Saccente, Alan / Saccente, Nancy	201-264-1275	
West Milford	NJ	Korsakoff, Dennis	9737281212	
Wildwood	NJ	Willbill Corporation / Fagan, William / Fagan, Robert	609-254-4385	
Las Vegas	NV	Mas We Three LLC / Iermolova, Mariia	(702) 417-6948	
Hatboro	PA	Margraff, David	2678843027	
Huntingdon Valley	PA	BDP Inc / Weiss Jr, Francis J / Weiss, Vincent	6103145685	

#### Sublicense Transfers in 2022

City	ST	Seller(s) / Business Name(s)	Phone	Comment
New Castle	PA	Doskids Inc / Dostilio, Karen A	724-971-3134	

# <u>EXHIBIT L</u>

Financial Statements (with Guarantee of Performance)

# International Dairy Queen, Inc. and Subsidiaries

(A Wholly Owned Subsidiary of Berkshire Hathaway Inc.)

Consolidated Financial Statements as of December 31, 2022 and 2021 and for the Years Ended December 31, 2022, 2021, and 2020 and Independent Auditor's Report

# Deloitte.

#### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of International Dairy Queen, Inc. Minneapolis, Minnesota

#### Opinion

Deloitte & Touche LLP 50 South 6th Street Suite 2800 Minneapolis, MN 55402-1538 USA

Tel: +1 612 397 4000 Fax: +1 612 397 4450 www.deloitte.com

We have audited the consolidated financial statements of International Dairy Queen, Inc. and subsidiaries (the "Company"), a wholly owned subsidiary of Berkshire Hathaway, Inc., which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations and comprehensive income, stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2022, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

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

#### **Basis for Opinion**

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

#### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Delotte & Touche LLP

February 10, 2023

(A Wholly Owned Subsidiary of Berkshire Hathaway Inc.)

### **Consolidated Balance Sheets**

In thousands

Assets	Deer	
	2022	2021 2021
Current assets	LULL	2021
Cash and cash equivalents Notes and accounts receivable—less allowance of \$1,292 and \$848	\$ 20,207	\$ 80,598
in 2022 and 2021, respectively	49,560	48,179
Income tax receivable	2,901	-
Cash pooling receivable from affiliate	54,191	-
Inventories	97	809
Prepaid expenses	879	815
Total current assets	127,835	130,401
Noncurrent assets		
Property and equipment, net	12,228	12,721
Goodwill	92,162	92,303
Intangibles, net	77,184	75 <i>,</i> 658
Operating lease assets	6,439	6,701
Other	32,343	39,554
Total noncurrent assets	220,356	226,937
Total assets	\$ 348,191	<u>\$ 357,338</u>
Liabilities and Stockholder's Equity		
Current liabilities		
Accounts payable	\$ 20,467	\$ 17,993
Committed advertising	31,190	50,269
Unredeemed gift card liabilities Other liabilities	89,560 28,517	83,128
Current portion of operating lease liabilities	928	28,540 890
Income tax payable		1,028
Total current liabilities	170,662	181,848
Noncurrent liabilities		
Deferred franchise income	2,745	2,587
Deferred income taxes — net	19,352	19,770
Long-term operating lease liabilities Other long-term liabilities	9,300	9,850
-	36,621	36,791
Total noncurrent liabilities	68,018	68,998
Total liabilities	238,680	250,846
Commitments and contingencies		
<b>Stockholder's equity</b> Class A common stock, \$0.01 par value—authorized and outstanding, 1,000 shares	_	_
Additional paid-in capital	152,197	152,197
Retained deficit	(40,170)	(43,989)
Accumulated other comprehensive loss	(2,516)	(1,716)
Total stockholder's equity	109,511	106,492
Total liabilities and stockholder's equity	<u>\$ 348,191</u>	<u>\$ 357,338</u>

# (A Wholly Owned Subsidiary of Berkshire Hathaway Inc.) Consolidated Statements of Operations and Comprehensive Income

consolidated statements of Operations and con

In thousands

	Years ended December 31					1
		2022		2021		2020
Revenues						
Service fees	\$	173,116	Ş	167,579	\$	141,319
Other fees and franchise sales		46,482		43,653		37,569
Sales of advertising kits		13,939		10,104		8,381
Sales of company-owned restaurants		3,146		3,265		2,834
Other		254		143		263
Total revenues		236,937		224,744		190,366
Costs and expenses						
Costs of other fees and franchise sales		4,919		3,000		1,458
Cost of sales of advertising kits		12,647		9,662		7,604
Costs of company-owned restaurants		3 <i>,</i> 593		3,397		3,189
Selling, general, and administrative		99,868		96,285		82,888
Total costs and expenses		121,027		112,344		95,139
Operating income		115,910		112,400		95,227
Net interest income		1,249		451		636
Income before income taxes		117,159		112,851		95,863
Provision for income taxes		28,340		28,522		23,656
Net income	\$	88,819	\$	84,329	\$	72,207
Comprehensive income, net of tax Net income	\$	88,819	\$	84,329	\$	72,207
Other comprehensive (loss) income —changes in cumulative translation adjustment		(800)		(339)		410
Comprehensive income	\$	88,019	<u>\$</u>	83,990	\$	72,617

# (A Wholly Owned Subsidiary of Berkshire Hathaway Inc.) Consolidated Statements of Changes in Stockholder's Equity

In thousands

	Common stock and additional paid-in capital	Retained (deficit) earnings	Accumulated other comprehensive _income (loss)	Total stockholder's equity
Balance—December 31, 2019	\$ 152,197	\$ (5,525)	\$ (1,787)	\$ 144,885
Net income	-	72,207	-	72,207
Other comprehensive income (loss), net	-	-	410	410
Dividends		(85,000)		(85,000)
Balance—December 31, 2020	152,197	(18,318)	(1,377)	132,502
Net income	-	84,329	-	84,329
Other comprehensive income (loss), net	-	-	(339)	(339)
Dividends		(110,000)		(110,000)
BALANCE—December 31, 2021	152,197	(43,989)	(1,716)	106,492
Net income	-	88,819	-	88,819
Other comprehensive income (loss), net	-	-	(800)	(800)
Dividends		(85,000)		(85,000)
BALANCE—December 31, 2022	<u>\$ 152,197</u>	<u>\$ (40,170</u> )	<u>\$ (2,516)</u>	<u>\$ 109,511</u>

### (A Wholly Owned Subsidiary of Berkshire Hathaway Inc.) Consolidated Statements of Cash Flows

In thousands

	Years ended December 31			
	2022	2021	2020	
Operating activities				
Net income	\$ 88,819	\$   84,329	\$ 72,207	
Adjustments to reconcile net income to net cash				
provided by operating activities				
Depreciation and amortization	2,860	2,825	2,820	
Gain on sale of capital assets	(337)	(268)	(327)	
Deferred income taxes	(418)	(2,467)	1,632	
Changes in assets and liabilities:				
Notes and accounts receivable	(1,425)	(5,901)	3,313	
Inventories, prepaid expenses, and other assets	7,861	1,292	(2,269)	
Accounts payable, accruals, and other liabilities	(9 <i>,</i> 453)	26,690	31,096	
Income taxes	(3 <i>,</i> 866)	280	2,516	
Long term liabilities	(3)	6,704	1,208	
Net cash provided by operating activities	84,038	113,484	112,196	
Investing activities				
Purchase of franchise rights and other intangibles	-	(1,400)	(688)	
Capital expenditures and intangible software	(4,047)	(2,407)	(845)	
Proceeds from the disposal of property and equipment	411	366	1,381	
Net advances to affiliate pursuant to cash pooling arrangment	(54,191)			
Net cash used in investing activities	<u>(57,827</u> )	(3,441)	(152)	
Financing activities				
Dividends paid	(85,000)	(110,000)	(85,000)	
Net cash used in financing activities	(85,000)	(110,000)	(85,000)	
Effect of exchange rate changes on cash	(1,602)	(1,018)	513	
Net increase (decrease) in cash and cash equivalents	(60,391)	(975)	27,557	
Cash and cash equivalents, beginning of year	80,598	81,573	54,016	
Cash and cash equivalents, end of year	<u>\$ 20,207</u>	<u>\$ 80,598</u>	<u>\$ 81,573</u>	
Supplementary disclosures to consolidated statements of cash flows Cash paid for income taxes, net	<u>\$ 32,656</u>	<u>\$ 31,445</u>	<u>\$ 19,513</u>	

# **INTERNATIONAL DAIRY QUEEN, INC. AND SUBSIDIARIES** (A Wholly Owned Subsidiary of Berkshire Hathaway Inc.) Notes to Consolidated Financial Statements

In thousands

#### 1. NATURE OF BUSINESS

International Dairy Queen, Inc. (the "Company") is a wholly owned subsidiary of Berkshire Hathaway Inc. ("Berkshire"). The Company is engaged in developing, licensing, franchising, and servicing a system of over 7,000 retail restaurants featuring over-the-counter sales of dairy desserts, food, and blended fruit drinks. On December 31, 2022 and 2021, the Company operated two Dairy Queen restaurants.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation**—The consolidated financial statements were prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America and include the accounts of the Company and its affiliates after eliminate of all significant intercompany balances and transactions. The Company's fiscal year ends on December 31.

**Cash and Cash Equivalents**—Cash equivalents include all short-term investments with an original maturity of 90 days or less. Cash and cash equivalents are recorded at cost, which approximates their fair value.

**Notes and Accounts Receivable**—Accounts and notes receivable consist primarily of service fees, franchise sales fees, and advertising fees due principally from franchisees and gift card receivables. The need for an allowance for doubtful accounts is reviewed on a specific identification basis based upon past due balances and the financial strength of the obligor.

**Cash Pooling Receivable from Affiliate**—In 2022, the Company began participating in a centralized cash management program (cash pooling) with an affiliate, BH Finance LLC (BH Finance), a wholly owned subsidiary of Berkshire. The agreement with BH Finance allows for day-to-day cash borrowing not to exceed \$10 million with no limit on invested amounts with BH Finance. Loans to the Company bear interest at the one-month LIBOR rate. Loans by the Company to BH Finance bear interest at a rate established by BH Finance. The agreement automatically renews on December 31 of each year unless either party gives notice to the other party at least ninety days prior to the renewal date, in which case the amounts must be repaid. Amounts owed to the Company are shown as cash pooling receivable from affiliate.

**Inventories**—Inventories consist primarily of marketing material created or purchased for resale and are carried at the lower of cost (first-in, first-out) or net realizable value.

**Property and Equipment**—Property and equipment is stated at historical cost. Depreciation and amortization of property and equipment are computed on the straight-line method over the estimated useful lives of the assets or the remaining term of the lease for leasehold improvements. Estimated useful lives range from 3 to 10 years for equipment, the shorter of 20 years or remaining lease term for leasehold improvements, and 15 to 40 years for buildings. Significant improvements that extend the lives of properties are capitalized. Costs for repairs and maintenance are charged to expense as incurred. When property is retired or otherwise disposed of, the recorded cost of the assets and their

related accumulated depreciation are removed from the Consolidated Balance Sheets and any related gains or losses are included in income.

**Recoverability of Long-Lived Assets**—The Company reviews the recoverability of long-lived assets, such as property and equipment, for impairment whenever events or changes in circumstances indicate the carrying value of an asset or group of assets may not be recoverable. The Company determines potential impairment by comparing the carrying value of the assets with the net undiscounted cash flows expected to be provided by operating activities of the business or related products. If the sum of the expected future net undiscounted cash flows is less than the carrying value, the Company determines whether an impairment loss should be recognized. An impairment loss is measured by comparing the amount by which the carrying value exceeds the fair value of the assets. Impairment losses on long-lived assets held for sale are determined in a similar manner, except that fair values are reduced for the cost to dispose of the assets. The measurement of impairment requires the Company to estimate future cash flows and the fair value of long-lived assets. The Company did not record any long-lived asset impairments for the years ended December 31, 2022, 2021 and 2020.

**Goodwill and Intangibles**—Goodwill and indefinite-lived intangibles are recorded in accordance with Accounting Standards Codification (ASC or the "Codification") 350, *Intangibles*—Goodwill and Other, and ASC 805, *Business Combinations*. The Company evaluates goodwill and indefinite-lived intangibles for impairment at least annually. The Company did not record any goodwill or intangible impairments for the years ended December 31, 2022, 2021 and 2020. Computer software, classified as intangible assets, is amortized over estimated useful lives of 3 to 7 years.

On January 1, 2020, the Company adopted ASU No. 2017-04, *Intangibles—Goodwill and Other* which eliminates step two from the goodwill impairment test. Under ASU No. 2017-04, an entity should recognize an impairment charge for the amount by which the carrying amount of a reporting unit exceeds its fair value up to the amount of goodwill allocated to that reporting unit. The adoption of ASU No. 2017-04 did not have a material impact on the consolidated financial statements.

**Leases**—Leases are recorded in accordance with ASC 842, *Leases* which requires a lessee to recognize a liability to make lease payments and an asset for the right to use the underlying asset for the lease term. A right of use asset and lease liability is recognized for all leases with lease terms greater than one year. Right of use assets are classified as operating lease assets and represent the right to use an underlying asset for the lease term. Lease liabilities are classified as operating lease liabilities and represent the obligation to make lease payments under the lease. Operating lease liabilities are measured based on the non-cancellable lease term using a risk-free interest rate for highly liquid market securities. Operating lease assets are reviewed for impairment whenever events or changes in circumstances indicate that an operating lease asset's carrying amount may not be recoverable.

**Committed Advertising**— The Company facilitates the collection of sales promotion funds from franchisees and administers programs to spend the funds for the purpose of growing sales and profits at franchised locations. Contributions to the advertising and marketing fund represent a distinct performance obligation to administer the collection, spending and reporting of Committed Advertising activity. The Franchise Advertising Committee, which is made up of franchisee-elected representatives independent of the Company, exercises control over the advertising and marketing fund through approval of the annual promotional calendar and budget. As a result, the Company acts as an agent of the Committed Advertising fund and thus records receipts and disbursements from the fund net on the balance sheet. Committed advertising, when in a net liability position, represents unexpended amounts received from franchisees to finance national and regional advertising programs. When in a net asset position, it represents expended amounts to be received from franchisees.

**Revenue Recognition**—Revenue is recognized when a good or service is transferred to a customer. A good or service is transferred as the customer obtains control of that good or service. Revenues are based on the consideration expected to be received in connection with the Company's promises to deliver goods and services to its customers. Contracts include various combinations of products and services which generally are capable of being distinct and accounted for as separate performance obligations. Substantially all of the Company's revenues are recognized at a point in time which is when services are provided. Sales are recognized net of any taxes collected from customers which are subsequently remitted to governmental authorities.

*Service fees* represent continuing license fees paid by franchisees and are based on sales activity at franchised locations. Service fee revenue is recognized as the usage of the license occurs which corresponds with the sales at franchised restaurants.

Other fees and franchise sales includes fees related to supply chain, new store development and the administration of franchise contracts. Supply chain fees are recognized at a point in time as products are sold by vendors and distributors to franchised locations. New store development fees are recognized as revenue when the Company's obligations regarding services to be performed in opening a restaurant are fulfilled which is generally at the time the restaurant is opened. Fees associated with the administration of franchise contracts principally relate to sales promotion management fees and fees assessed upon transfer and termination of franchise agreements. Such fees are recognized at a point in time when the services are performed. Sales promotion management fees are recognized as a percentage of sales promotion funds reported as Committed Advertising. Such funds are generated in conjunction with the sales of products at franchised locations and are managed by the Company to provide advertising programs on behalf of its franchisees. The management fees represent revenues of the Company that are earned upon its performance obligation to oversee the collection and administration of sales promotion funds.

A portion of the fees associated with the renewal of franchise agreements and new store development are recognized over the contractual term of the agreement during which time the Company is obligated to provide continuing licensing rights. Unearned revenue, representing a contract liability, is recorded when revenue is recognized subsequent to invoicing and represents revenue related to sales of licensing rights in certain geographic areas, revenue associated with contract renewals, and revenue associated with store openings in which the Company is not required to provide store opening services to franchisees. Unearned revenue is generally invoiced at the beginning of each contract period for multi-year agreements and recognized ratably over the life of the agreement. Unearned revenue is denoted as deferred franchise income on the consolidated balance sheets.

Sales by company-owned restaurants and sales of advertising kits represent the sales of products to customers in restaurants that are owned by the Company and the sale of in-store promotional materials to franchised locations and are recognized at a point in time when control of the product transfers to the customer, which coincides with customer pickup or product delivery or acceptance, depending on terms of the arrangement.

**Income Taxes**—The Company is included in the consolidated federal tax return of Berkshire. The provision for income taxes included in these consolidated financial statements is prepared on a separate company basis with certain modifications to eliminate the effects of inconsistent conclusions related to realizability as a result of inclusion in the Berkshire consolidated return.

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events

that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the consolidated financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA Act") was signed into United States tax law, which included changes to the corporate minimum tax, a 1% tax on stock buybacks, increased funding for the IRS, tax incentives for businesses to lower their carbon footprint and an extension of the Affordable Care Act, among other provisions. Accounting Standards Codification (ASC) 740, *Income Taxes* requires current and deferred tax liabilities and assets to be measured based on the provisions of the enacted tax law in effect at the balance sheet date. As such, the impact of this change has been accounted for in the accompanying consolidated financial statements for the year ended December 31, 2022. The tax law changes in the IRA Act did not have a material impact on the Company's income tax provision.

In general, it is the Company's practice and intention to permanently reinvest the earnings of its Canadian subsidiaries and that position has not changed following payment of the transition tax under the Tax Act. No deferred taxes have been provided for withholding taxes or other taxes that would result upon repatriation of undistributed foreign earnings of approximately \$8.3 million and \$5.0 million as of December 31, 2022 and 2021, respectively. To the extent these earnings are repatriated, foreign tax credits will be available to substantially eliminate any additional U.S. income taxes that might otherwise result from such repatriation.

The Company records net deferred tax assets to the extent it believes these assets will more likely than not be realized. In making such determination, the Company will consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies, and recent financial operations. In the event the Company were to determine that it would be able to realize its deferred income tax assets in the future in excess of the net recorded amount, the Company would make an adjustment to the valuation allowance, which would reduce the provision for income taxes. As of December 31, 2022 and 2021, the Company had a valuation allowance of \$3.7 million.

**Unredeemed Gift Card Liabilities**—The Company sells stored value gift cards of various denominations at Dairy Queen restaurants and other retail stores. Cash receipts from gift card sales are classified as a current liability on the Company's consolidated balance sheets. As gift cards are presented for redemption at Dairy Queen franchised restaurants, the liability is reduced through reimbursement to franchisees for the value redeemed. Based on historical redemption rates, a percentage of gift cards will never be redeemed, and the estimated value of unredeemed gift cards is recognized as gift card breakage reducing the liability. The Company recognizes gift card breakage over time in proportion to actual gift card redemptions.

**Concentration of Credit Risk**—Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash equivalent investments and accounts and notes receivable.

The Company places its cash equivalent investments with high-credit-quality financial institutions, with original maturities of 90 days or less and, by policy, limits the amount of credit exposure of any one financial institution. Accounts receivable are generally unsecured; however, concentrations of credit risk with respect to these receivables are limited due to the large number of franchisees and their

dispersion across many different geographic areas. Notes receivable are generally secured by the equipment purchased or the existing franchise agreement.

**Use of Estimates**—The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, the reported amounts of revenues and expenses during the reporting period and accompanying notes. Accounts affected by significant estimates include service fee accruals, tax contingencies, and allowance for doubtful accounts. Actual results could differ from those estimates.

**Foreign Currency Translation**—The financial statements of subsidiaries located outside the United States are measured using the local currency as the functional currency. Assets and liabilities of these subsidiaries are translated at the rates of exchange at the balance sheet date. Income and expense items are translated at average monthly rates of exchange. The resultant translation adjustments are included in accumulated other comprehensive income, a separate component of stockholder's equity.

**Comprehensive Income**—The Company's comprehensive income consists of net income and foreign currency translation adjustments related to its investment in its Canadian subsidiary.

**Retained Deficit**—In the years ended December 31, 2021 and 2020, the Company paid dividends to Berkshire in excess of net income and has resulted in a retained deficit on the consolidated balance sheet as of December 31, 2022 and 2021.

#### 3. PROPERTY AND EQUIPMENT

Property and equipment as of December 31 consisted of the following:

	2022	2021
Property and equipment—at cost:		
Land	\$ 1,408	\$ 1,408
Buildings	1,976	1,976
Leasehold improvements	7,372	7,844
Equipment	8,521	9,019
Vehicles	3,746	3,324
Work in process	47	
Property and equipment—at cost	23,070	23,571
Less accumulated depreciation	10,842	10,850
Property and equipment—net	\$ 12,228	\$ 12,721

Depreciation expense for the years ended December 31, 2022, 2021, and 2020, was \$2,275, \$2,348, and \$2,414, respectively.

#### 4. GOODWILL AND OTHER INTANGIBLES

As discussed in Note 2, the Company accounts for goodwill under the provisions of ASC 350 and ASC 805. The Codification requires business combinations to be accounted for using the purchase method of accounting and broadens the criteria for recording intangible assets other than goodwill.

Franchise rights reacquired prior to January 1, 2005 are classified in the consolidated balance sheets as goodwill. The Codification requires franchise rights reacquired subsequent to January 1, 2005 to be recognized as an intangible asset apart from goodwill. Intangibles include any reacquired franchise rights and trademarks/trade names acquired after January 1, 2005.

The Company tests goodwill and indefinite lived intangible assets for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the asset might be impaired, based on several factors, including operating results, business plans, and future estimated cash flows. The Company has elected to perform its annual tests for indications of goodwill and intangible asset impairment as of December 31 of each year. Impairment testing is done at a reporting unit level. An impairment loss is recognized when the carrying amount of the reporting unit's net assets exceeds the estimated fair value of the reporting unit. The estimated fair value is determined using a discounted future cash flow analysis.

The net carrying value of goodwill for the years ended December 31, 2022 and 2021 includes \$1.2 million of accumulated impairment. The changes in the carrying value of goodwill for the years ended December 31 were as follows:

	2022	2021
Net carrying value—January 1 Foreign currency translation	\$ 92,303 (141)	\$ 92,311 <u>(8</u> )
Net carrying value—December 31	\$ 92,162	\$ 92,303

The following is a summary of the components of intangible assets as of December 31:

	2022 Accumulated Cost Amortization Net			2021 Accumulated Cost Amortization Ne		
Indefinite-lived Territorial franchise rights Definite-lived		\$ -	\$73,270	\$73,319	\$ -	\$73,319
Software	6,046	(2,132)	3,914	4,141	(1,802)	2,339
Total	\$79,316	<u>\$ (2,132)</u>	\$77,184	\$77,460	<u>\$ (1,802)</u>	\$75 <i>,</i> 658

Amortization expense for the years ended December 31, 2022, 2021, and 2020 was \$585, \$477, and \$406, respectively.

Estimated future amortization expense is as follows:

Years ending December 31		
2023	\$	828
2024		812
2025		807
2026		478
2027		386
Thereafter		603
Total	\$ 3	3,914

#### 5. OTHER ASSETS

Other long-term assets as of December 31 consisted of the following:

	2022	2021
Deferred compensation	\$ 22,335	\$ 27,095
Deferred incentives	9,950	12,215
Notes receivable	41	176
Other	17	68
Total	\$ 32,343	<u>\$ 39,554</u>

The Company has a deferred compensation plan that enables U.S. officers of the Company to defer a specified percentage of their cash compensation into mutual funds within a rabbi trust. The Company accounts for this deferred compensation plan in accordance with ASC 710, *Compensation*. All the funds within the plan are classified as Level 1 in accordance with ASC 820, *Fair Value Measurements and Disclosures*. This classification is based on the ability of these mutual funds to actively trade with enough frequency and volume to enable pricing information to be obtained on an ongoing basis. The Company didn't make any contributions to the plan for the years ended December 31, 2022, 2021, and 2020.

The Company periodically offers an incentive program for franchisees who invest in their stores, including remodels, technology investments, or building new stores. The programs typically offer an incentive equal to the lesser of a percentage of specific capital costs of improving or building a restaurant or a specified incentive dollar limit. The incentives generally are amortized over the period of expected increased economic benefit resulting from the investment, which ranges from 3 to 7 years, depending on the scope of the project. If a location that was awarded an incentive subsequently closes, the Company's policy is to expense the remaining unamortized portion of the incentive in the year of the location closure.

#### 6. OTHER LIABILITIES

Other current liabilities as of December 31 consisted of the following:

	2022	2021
Accrued salaries and benefits	\$ 13,334	\$ 13,778
Charity donations collected from franchisees	6,196	4,657
Deposits	8,322	9,226
Accrued remodel incentives	231	300
Other	434	579
Total	\$ 28,517	\$ 28,540

Other long-term liabilities as of December 31 consisted of the following:

	2022	2021
Deferred compensation Incentive compensation Accrued remodel incentives Other	\$ 22,335 14,049 213 24	\$ 27,095 9,535 131 30
Total	\$ 36,621	\$ 36,791

#### 7. INCOME TAXES

The provision for income taxes for the years ended December 31 consisted of the following:

	2022	2021	2020
Current: U.S. federal State Foreign	\$ 15,049 4,341 <u>9,368</u>	\$ 18,143 4,579 8,267	\$ 12,066 2,979 6,979
	28,758	30,989	22,024
Deferred: U.S. federal State Foreign	(315) (51) (52)	(2,155) (349) 37	1,351 219 62
	(418)	(2,467)	1,632
Total	<u>\$ 28,340</u>	\$ 28,522	\$ 23,656

Included in foreign taxes are taxes withheld by foreign countries on dividends and service fees received by U.S. entities.

A reconciliation of differences between the U.S. federal statutory income tax rate and the consolidated effective tax rate for the years ended December 31 were as follows:

	2022	2021	2020
U.S. federal statutory rate	21.00 %	21.00 %	21.00 %
State income tax—net of federal effect	2.86	2.88	2.78
Foreign income tax	0.88	0.84	0.78
Other—net	(0.54)	0.55	0.12
Consolidated effective tax rate	24.20 %	25.27 %	24.68 %

The Company's deferred tax assets and liabilities as of December 31 were as follows:

	2022	2021
Deferred tax assets:	¢ 10 c00	\$ 9,871
Employee benefits Notes/accounts receivable/inventory allowances	\$ 10,690 309	\$ 9,871 218
Operating lease liability	2,230	2,406
Deferred revenue	608	597
Tax credit carryforward	-	737
Other	1,887	1,407
Total deferred tax assets	15,724	15,236
Deferred tax liabilities:		
Goodwill and other intangibles	28,384	27,829
Fixed assets	2,899	2,666
Operating lease assets	1,358	1,480
Other	2,435	3,031
Total deferred tax liabilities	35,076	35,006
Net deferred tax liabilities	\$ 19,352	\$ 19,770

The Company does not have any unrecognized tax benefits as of December 31, 2022 and 2021.

The Company is subject to taxation in the United States and various state and foreign jurisdictions. The tax years for 2012 through 2022 are subject to examination by the Internal Revenue Service. The expiration of the statute of limitations related to the various state and foreign income tax returns that the Company files varies by jurisdiction; in general, the years 2012 through 2022 remain open for state purposes.

#### 8. LEASES

The Company and its subsidiaries have leases for administrative facilities, equipment, and one retail restaurant facility. Most of the leases require the lessee to pay executory costs (property taxes, maintenance, and insurance) and many of the leases provide for one or more renewal options. The retail restaurant facility lease requires the Company to pay the greater of an annual base rent amount or a percentage of annual gross sales, as defined in the lease agreement.

Total remaining operating lease payments are as follows:

Years ending December 31	
2023	\$ 1,167
2024	1,177
2025	1,201
2026	1,225
2027	1,244
Thereafter	5,469
Total lease payments	11,483
Imputed interest	(1,255)
Operating lease liabilities	\$ 10,228

The weighted average term of these leases are 8.6 years and the weighted average discount rate used to measure operating lease liabilities was 2.38%.

Components of operating lease costs are as follows:

Year Ending December 31	2022	2021	2020
Operating lease cost	\$ 1,072	\$ 1,096	\$ 1,083
Short-term lease cost	15	15	15
Variable lease cost	618	759	795
Sublease income	-	(33)	(72)

#### 9. EMPLOYEE BENEFIT PLANS

The Company sponsors a retirement savings plan. Substantially all permanent full-time employees of the Company and participating affiliates are eligible to participate and may contribute from 1% to 35% of their base pays, subject to Internal Revenue Service limitations. The Company matches 100% of the first 1% contributed and 50% of the next 5% contributed for a maximum Company match of 3.5%. The Company's contribution including administrative fees for the years ended December 31, 2022, 2021, and 2020 was \$1,411, \$1,252, and \$1,164, respectively.

#### **10. CONTINGENCIES**

The Company is involved in various legal proceedings in the ordinary course of its business. In the opinion of the Company's management, the ultimate disposition of these proceedings and claims will

not have a material effect on the consolidated financial position or results of operations of the Company.

#### **11. RELATED PARTY TRANSACTIONS**

In the ordinary course of business, the Company has transactions between Berkshire and its affiliates that are included in these financial statements.

As described in Note 2, the Company participates in a centralized cash management program (cash pooling) with BH Finance, a wholly owned subsidiary of Berkshire. As of December 31, 2022, the Company had a cash pooling receivable due from BH Finance of \$54.2 million and recognized interest income of \$0.6 million for the year ended December 31, 2022.

The Company paid dividends of \$85 million, \$110 million, and \$85 million, to Berkshire for the years ended December 31, 2022, 2021, and 2020, respectively.

The Company recognized revenue for supply chain and services fees from Berkshire affiliates for the years ended December 31, 2022, 2021, and 2020, of \$0.5 million, \$0.6 million, and \$0.5 million, respectively.

#### **12. SUBSEQUENT EVENTS**

In accordance with ASC 855, *Subsequent Events*, the Company has considered subsequent events for recognition or disclosure through February 10, 2023, the date of issuance. No subsequent events were noted.

#### **GUARANTEE OF PERFORMANCE**

For value received, International Dairy Queen, Inc., a Delaware Corporation (the "Guarantor"), located at 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437, absolutely and unconditionally guarantees to assume the duties and obligations of American Dairy Queen Corporation, located at 8000 Tower, Suite 700, 8331 Norman Center Drive, Bloomington, MN 55437 (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 The Guarantor is not discharged from liability if a claim by a occurs. 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 Minneapolis, Minnesota on the 28th day of March 2023.

Guarantor:

INTERNATIONAL DAIRY QUEEN, INC.

By: Genevieve Beck

Name: Genevieve Beck

Title: Vice President & Assistant General Counsel

# EXHIBIT M

Receipts

#### STATE EFFECTIVE DATES:

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

California	March 28, 2023
Hawaii	Pending
Illinois	March 28, 2023
Indiana	March 28, 2023
Maryland	Pending
Michigan	March 29, 2023
Minnesota	Pending
New York	March 28, 2023
North Dakota	Pending
Rhode Island	Pending
South Dakota	March 28, 2023
Virginia	Pending
Washington	March 28, 2023
Wisconsin	March 28, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

#### RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If ADQ offers you a franchise, it must provide this disclosure document to you at least 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

#### Michigan requires that ADQ give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If ADQ does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency referred to in Exhibit A.

ADQ's franchise sellers involved in the offering and sale of new franchises are James P. Kerr, ADQ's Executive Vice President - Franchise Development, Jennifer Rude, ADQ's Franchise Sales and Development Director, and Franchise Developer Karen Hamilton (West Region), Roger Schone (Central West Region), Tara Fry (Southeast Region) or Tom Trocchio (Northeast Region). Their address is 8000 Tower, Suite 700, 8331 Norman Center Drive Bloomington, MN 55437, and phone number is (952) 830-0200. If any other franchise seller is involved in this transaction, his or her address and phone number will be the same, with the name provided here:

Issuance date: March 28, 2023(for registration state effective dates see "State Effective Dates" page immediately preceding these Receipt pages)

I received a disclosure document with an issuance date of March 28, 2023, that included the following Exhibits: A) List of State Administrators/Agents for Service of Process; B) Operating Agreement with Guarantee and related Addenda and Appendices; C) Conversion Addenda; D) Franchise Application; E) Gift Card Program Agreements; F) Design Services Agreement; G) Construction Consultation Services Agreement; H) Sublease; I) Tables of Contents for Manuals; J) List of franchises; K) List of franchisees whose franchise agreements were terminated or transferred; L) Financial Statements (with Guarantee of Performance); and M) Receipts.

<b>FRANCHISEE</b> (For an Entity)		FRANCHISEE (For	<b>FRANCHISEE</b> (For an Individual)		
Date:		Date:			
		, a Signed:			
		Print Name:			
By:		Address:			
(Signature of person sign	ning on behalf of entity)	City:	State:		
(Print name of person sig	gning on behalf of entity)	Phone: ()	Zip:		
Its:(Title of person sign	ning on behalf of entity)	Date:			
Address:		Signed:			
City:	State:	Print Name:			
Phone: ()	Zip:	Address:			
		City:	State:		
Prospective Applicant's	Сору	Phone: ()	Zip:		

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# Michigan requires that ADQ give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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FRANCHISEE (For an Entity)		<b>FRANCHISEE</b> (For an Individual)		
Date:		Date:		
		Signed:		
		Print Name:	Print Name:	
By:(Signature of person signing on behalf of entity)		Address:		
		City:	State:	
(Print name of person signing on behalf of entity)		Phone: ()	Zip:	
Its:		Date:		
Address:		Signed:		
City:	State:	Print Name:		
Phone: ()	Zip:	Address:		
		City:	State:	
Office Copy		Phone: ()	Zip:	

# DQ Treat FDD – 3/23