

FRANCHISE DISCLOSURE DOCUMENT



TOHC FRANCHISING LLC
a Delaware limited liability company
2859 Paces Ferry Road, Suite 412,
Atlanta, Georgia 30339
404-499-1960
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oghotchicken.com

We offer franchises for a unique restaurant concept featuring southern-style hot chicken tenders and sandwiches, chicken and waffles, and other products and services under the name “The Original Hot Chicken”, with the option to add other digital food service brands we periodically approve. The total investment necessary to begin operation of a restaurant ranges from \$215,256 to \$697,911. This includes \$39,750 to \$44,000 that must be paid to the franchisor or its affiliates.

We also offer the right to acquire franchises for multiple restaurants in a specified territory. If we grant you multi-unit operator rights, your initial fees will depend on the number of restaurants you agree to develop. The total investment necessary for a commitment of 3 to 10 restaurants ranges from \$50,500 to \$132,000. This includes \$45,000 to \$115,000 that must be paid to the franchisor or its affiliates. This estimated initial investment does not include the cost of developing each restaurant.

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 payments to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.** The terms of your contract will govern your franchise relationship. Don't rely on this disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Sunny Ashman at TOHC Franchising LLC, 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339, (404) 499-1960. Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as “A Consumer’s Guide to Buying a Franchise,” which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising. There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: November 10, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E-1 and E-2.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 The Original Hot Chicken™ restaurant in my area?	Item 12 and the “territory” provisions in the franchise agreement and multi-unit operator 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 The Original Hot Chicken™ franchisee?	Item 20 or Exhibit E-1 and E-2 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

Competition from franchisor. Even if the franchise agreement and/or the multi-unit operator agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement and/or the multi-unit operator 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 and/or the multi-unit operator 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 and/or the multi-unit operator agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and multi-unit operator agreement require you to resolve disputes with the franchisor by mediation, arbitration, or litigation only in Atlanta, Georgia. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Atlanta, Georgia than in your own state.
2. **Short Operating History.** This franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise with a longer operating history.
3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement and Multi-Unit Operator Agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.
4. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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.

DISCLOSURES REQUIRED BY GEORGIA LAW.

The State of Georgia has not reviewed and does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

DISCLOSURES REQUIRED BY NORTH CAROLINA LAW

The State of North Carolina has not reviewed and does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

DISCLOSURES REQUIRED BY SOUTH CAROLINA LAW

The State of South Carolina has not reviewed and does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the State. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

Note: Please note that paragraph (f) is preempted by federal law and cannot preclude us from enforcing an arbitration provision. We intend to fully enforce the arbitration provisions of the franchise agreement and multi-unit operator agreement.

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

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this franchise disclosure document (this “Disclosure Document”), “franchisor,” “we,” “us,” or “our” means TOHC Franchising LLC, the franchisor. “You” or “your” means the person or entity who shall buy the franchise from us. If you are a corporation, partnership, limited liability company, or other business entity (collectively, an “Entity”), your owners will have to guarantee your obligations and be bound by the provisions of the Franchise Agreement, Multi-Unit Operator Agreement, and other agreements as described in this Disclosure Document.

Us, Our Parents, Predecessors and Affiliates.

We are organized in Delaware as a limited liability company. Our principal business address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339. Our principal telephone number is (404) 499-1960. Our agents for service of process are listed on Exhibit A. We do business under our corporate name, the brand name “The Original Hot Chicken”, the brand names of our Digital Brands (defined below), and the name of our parent “Experiential Brands”. We do not directly currently own or operate any Restaurants (defined below) though two Restaurants are currently operated by certain of our affiliate(s) (the “Company Restaurants”). We have offered franchises for Restaurants offering “The Original Hot Chicken” together with one or more other brands such as Digital Brands since May 2023.

From June 2023 to August 2023, we also offered an area representative franchise through a separate disclosure document, under which we granted the right to solicit franchise sales for Restaurants and support Restaurant franchisees. We did not grant any area representative franchises. Other than the area representative franchise previously offered, and the franchises granted under this Disclosure Document, we do not offer franchises in any other line of business, though our affiliates do (described below). We do not conduct any business other than as described in this Disclosure Document.

We are a wholly-owned subsidiary of TOHC Strategic Company LLC, which is in turn a wholly-owned subsidiary of TOHC Holding Company LLC, which is in turn a majority-owned subsidiary of Experiential Brands II LLC, which is in turn a wholly-owned subsidiary of Dandle Ventures LLC. Each of our parents shares our principal business address.

Our affiliate, TOHC IP LLC, will provide license rights in the Marks to us, enabling us to license those Marks to franchisees. TOHC IP shares our principal business address.

Our affiliate, Ohio Valley Foods Systems LLC (“Ohio Valley Foods”) is currently the exclusive supplier to Restaurants of certain food products and branded merchandise. You may also have the option to purchase additional food, beverage, paper products, small wares, or other inventory or supplies from Ohio Valley Foods. Ohio Valley Foods has the principal business address of 3100 Stanton Avenue, Cincinnati, OH 45206.

Our affiliate, Franklin Junction, Inc. (“Franklin Junction”) is currently the exclusive supplier to franchisees of certain e-commerce services relating to white-label and third-party online ordering. Franklin Junction may also be the supplier of certain services associated with virtual kitchen fulfillment for Digital Brands. Franklin Junction shares our principal business address.

Affiliated Franchise Programs

We are under common control with the following entities which offer franchises:

Frisch's Franchising, LLC franchises a full-service restaurant concept under the "Frisch's Big Boy" trademarks, featuring hamburgers, fish sandwiches, pies, salads, breakfast, and other food and beverage offerings. Frisch's Franchising, LLC has offered franchises for the "Frisch's Big Boy" concept since June 2016. As of the end of its most recent fiscal year (May 30, 2023), there were 14 franchised "Frisch's Big Boy" restaurants in operation. Frisch's Franchising, LLC has the principal place of business at 2800 Gilbert Avenue, Cincinnati, Ohio 45206.

ATP Franchising, LLC franchises a recreational entertainment facility concept under the "Altitude Trampoline Park" trademarks, featuring trampolines, obstacle courses, and other activities. ATP Franchising, LLC has been the franchisor of the "Altitude Trampoline Park" concept since December 2018. As of the end of its most recent fiscal year (December 31, 2022), there were 67 franchised "Altitude Trampoline Park" facilities in the United States, and 5 franchised "Altitude Trampoline Park" facilities in operation internationally. ATP Franchising LLC has its principal place of business at 12222 Merit Drive, Suite 1300, Dallas, Texas 75251.

TPP Franchising LLC franchises recreational facilities featuring pickleball courts, merchandise, other social games, food and beverages, and other related products and services under "The Pickle Pad" name and marks. TPP Franchising has offered franchises for "The Pickle Pad" concept since November 2023. As of the end of its most recent fiscal year (December 31, 2022), there were no franchised "The Pickle Pad" clubs in operation. TPP Franchising LLC has its principal place of business at 12222 Merit Drive, Suite 1300, Dallas, Texas 75251.

None of the parents or affiliates described above have owned, operated, or offered franchises for Restaurants. Other than as listed above, neither we nor any of our affiliates offers franchises for any other concept, though they may do so in the future. Except as described above, we do not have any parents, predecessors, or other affiliates required to be disclosed in Item 1.

The Franchise

We offer and grant franchises to operate a restaurant concept featuring southern-style hot chicken tenders and sandwiches, chicken and waffles, and other products and services under the name "The Original Hot Chicken", together with one or more other brands such as Digital Brands (defined below) (together, a "Restaurant"). We call the Restaurant you will operate "your Restaurant."

Restaurants operate under the name "The Original Hot Chicken" and other trademarks, service marks, logos and commercial symbols we periodically authorize, which may include those associated with certain Digital Brands that you have been approved to offer (the "Marks"). Restaurants operate using distinctive business formats, methods, procedures, designs, layouts, standards, and specifications, all of which we may modify over time, and which may apply to "The Original Hot Chicken" brand and/or one or more Digital Brands (collectively, the "Franchise System"). You must comply with all mandatory standards, specifications, and operating procedures that we prescribe for Restaurants generally, and/or your Restaurant specifically ("Brand Standards").

You must sign a franchise agreement with us to acquire the right to develop, own and operate a Restaurant (the “Franchise Agreement”) at a site selected by you and approved by us (the “Premises”). Our current form of Franchise Agreement is attached to this Disclosure Document as Exhibit B-1.

We may also elect to grant multi-unit operator rights to acquire multiple franchises for Restaurants within a specifically described geographic territory according to a designated development schedule. Our current form of multi-unit operator agreement is attached to this Disclosure Document as Exhibit B-2 (the “Multi-Unit Operator Agreement”). We will agree with you on the number of Restaurants that you will commit to develop under your Multi-Unit Operator Agreement and the development schedule for those Restaurants before you sign your Multi-Unit Operator Agreement. Currently, our estimated development commitment is 3 to 10 Restaurants, but we will make all decisions about the number of Restaurants that a multi-unit operator may develop based on our then-current criteria (including, for example, relevant business experience, financial resources, the geographic market, and other factors). You must sign our then-current Franchise Agreement for each Restaurant that you develop under your development schedule, which may have terms that are materially different than the Franchise Agreement attached to this Disclosure Document.

In addition to operating under the “The Original Hot Chicken” name, you may periodically have the right to offer one or more digital food service brands we periodically approve on a virtual basis (“Digital Brands”). If you are approved to offer any Digital Brands, you must execute our then-current Digital Brand Rider to your Franchise Agreement. Our current form of Digital Brand Rider is attached to this Disclosure Document as Exhibit B-3.

Market Competition.

Your competition includes restaurants, particularly quick service and fast casual restaurants. You will be competing both for customers and for locations. In particular, you will be in competition with other restaurants featuring hot chicken and fried chicken. If you offer Digital Brands, you may also be in competition with the restaurant or food service businesses that offer products or services competitive with those Digital Brands. You may encounter competition from other Restaurants operated by our affiliates or other franchisees. The market for food products and services that Restaurants offer is highly competitive, quickly developing, and not seasonal.

Regulations.

The restaurant industry is heavily regulated. Several federal, state, and local laws, rules, and regulations have particular applicability to the operation and licensing of restaurant businesses, including health permit and inspection regulations and alcoholic beverage sales permitting and licensing requirements. Among the licenses and permits you may be required to obtain are, without limitation: zoning or land use approvals, Sunday sale permits, sales and use tax permits, alcoholic beverage permits and licenses, special tax stamps, fire department permits, food establishment permits, health and safety permits, alarm permits, occupational permits, retail sales licenses, and wastewater discharge permits.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and state and local health departments administer and enforce laws and regulations that govern food preparation and service and restaurant sanitation conditions. State and local agencies inspect restaurants to ensure that they comply with these laws and regulations. In addition, the Menu Labeling Provisions of the Patient Protection and Affordable Health Care Act require certain restaurants and retail food establishments to post caloric information on menus and menu boards, and to provide additional written nutrition information

available to consumers upon request. Some states have also adopted or are considering proposals that would increase obligations to report certain nutritional information. The Federal Clean Air Act and various implementing state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide, and particulate matters, including caps on omissions from commercial food preparation. Some areas have also adopted or are considering proposals that would regulate indoor air quality. Compensation of employees (including minimum wage and overtime requirements) is governed by both federal and state laws.

ITEM 2 **BUSINESS EXPERIENCE**

Aziz Hashim – Executive Chairman

Aziz Hashim has served as the Executive Chairman of us and certain of our affiliates, and our parent companies since January 2023. Mr. Hashim has also served as: (i) Executive Chairman of TPP Holding Company LLC (the parent of “The Pickle Pad” brand) since August 2023; (ii) Executive Chairman of Indoor Active Brands, LLC since November 2023; (iii) the Managing Member of NRD Capital Management, LLC and NRD Partners I GP, LLC since November 2014, (iv) the Managing Member of NRD Capital Management II, LLC and NRD Partners II GP, LLC since August 2016, (v) Chairman and a Director of Frisch’s Restaurants, Inc., since April 2016 and August 2015, respectively, and Chairman of Frisch’s Franchising, LLC (franchisor of the “Frisch’s Big Boy” brand), Ohio Valley Foods, and certain of their affiliates since June 2016, (vi) the Manager of Restaurant Management Services LLC since January 2005, (vii) a Director, President, and Secretary of Franklin Junction, Inc. since March 2021, (viii) President and a member of the Board of Managers of TP Opportunity Group, LLC since March 2021, (ix) Chairman of the Board of Managers of ATP Holding Company (parent of the “Altitude Trampoline Park” brand) and certain of its affiliates since December 2018, (x) managing member of Experiential Brands LLC since October 2021 and its Chairman and President since November 2022; and (xi) Chief Executive Officer of SRM Woodstock LLC since July 2021 and Chairman of TOHC Operations LLC since January, 2023 (the owners of the Company Restaurants). Mr. Hashim previously served as: (a) the Chairman of the Board of FTO Holding Company, LLC (the parent of the “Fuzzy’s Taco Shop” brand) from February 2016 to December 2022, (b) Chairman and Director of Ruby Tuesday, Inc. from December 2017 to February 2021, and President of Ruby Tuesday, Inc. from December 2017 to November 2021, (c) sole director of Mikes Kitchen Franchising (Pty) Ltd (franchisor of the “Mike’s Kitchen” brand in South Africa) from May 2017 to November 2019, and (d) a member of the Board, President and Secretary of TCB Canada Holding Company Inc. (the parent of “The Captains Boil” brand in Canada) from March 2018 to May 2022. All positions are and were held by Mr. Hashim from Atlanta, Georgia.

James Walker – Chief Culinary and Concept Officer

James Walker has served as our Chief Culinary and Concept Officer since January 2023. Mr. Walker has also served as the Chief Executive Officer of Frisch’s Restaurants Inc., Frisch’s Franchising LLC (the franchisor of the “Frisch’s Big Boy” brand), Ohio Valley Foods, and certain of their affiliates since June 2022. All positions are currently held by Mr. Walker from Atlanta, Georgia. Prior to that, Mr. Walker served as (i) Chief Executive Officer of BUYK in New York City, New York from November 2021 to October 2022, (ii) Senior Vice President of Restaurants at Nathan’s Famous in Jericho, New York from April 2019 to November 2021, and (iii) Vice President of North America of Subway in

Milford, Connecticut from June 2017 to January 2019. From January 2019 to April 2019, Mr. Walker was between positions.

Sunny Ashman - Head of Franchise Development and Training

Sunny Ashman has served as our Head of Franchise Development and Training since January 2023 in Atlanta, Georgia. Prior to that, Ms. Ashman served as: (i) Vice President of Training for FAT Brands in Beverly Hills, California from November 2020 to September 2022; (ii) Senior Director of Training and Operations for Cinnabon in Atlanta, Georgia from April 2019 to November 2020; and (iii) Director, Strategic Initiatives for Focus Brands in Atlanta, Georgia from August 2017 to April 2019. From October 2022 to December 2022 Ms. Ashman was between positions.

ITEM 3 **LITIGATION**

No litigation is required to be disclosed in this Item.

ITEM 4 **BANKRUPTCY**

In re: Ruby Tuesday, Inc., et. al., U.S. Bankruptcy Court, District of Delaware (Wilmington), October 7, 2020: Case Nos. 1:20-BK-12456 to 124507. Ruby Tuesday, Inc. and each of its subsidiaries and its direct parent voluntarily filed for Chapter 11 bankruptcy relief on October 7, 2020. The debtors owned and operated the “Ruby Tuesday” brand, system of restaurants, and related business. The debtors’ reorganization plan became effective by order of the court on February 24, 2021. Pursuant to the reorganization plan, certain of the debtors’ assets and operations were re-organized and distributed among their creditors. The court issued a final decree closing the Chapter 11 case on December 10, 2021. Aziz Hashim, our Executive Chairman, was an officer of Ruby Tuesday, Inc. and certain of its affiliates at the time they filed for bankruptcy relief. At the time of filing, Ruby Tuesday, Inc. and each of its subsidiaries had the address and principal place of business of 333 East Broadway Avenue, Maryville, TN 37804, and its parent RTI Holding Company LLC had the principal place of business 4170 Ashford Dunwoody Road, Suite #390, Atlanta, GA 30319.

U.S. Bankruptcy Court, Southern District of New York (Manhattan), March 17, 2022: In re: Buyk Corp, Case No. 22-10328. Buyk Corp filed for Chapter 11 bankruptcy relief on March 17, 2022. The debtor has the principal business address of 360 West 31st Street, Floor 6, New York NY 10001. The case was converted from a Chapter 11 to a Chapter 7 case on October 31, 2022. The claims period ended March 27, 2023. No hearings are currently scheduled but the bankruptcy has not yet been discharged. James Walker, our Chief Culinary and Concept Officer, was CEO of Buyk Corp at the time of the initial Chapter 11 bankruptcy filing.

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

ITEM 5 **INITIAL FEES**

Initial Franchise Fee

You must pay an initial franchise fee of \$25,000 in a lump sum on the date that you sign the Franchise Agreement. The initial franchise fee is uniformly imposed and non-refundable.

Development Fee

If you sign a Multi-Unit Operator Agreement to develop multiple Restaurants, you must pay a development fee for each Restaurant you commit to develop. The amount of the development fee will be: (i) \$25,000 for the first Restaurant you commit to develop and (ii) \$10,000 for the second and each subsequent Restaurant you commit to develop. The development fee will be paid on the day you sign your Multi-Unit Operator Agreement. We currently estimate that a multi-unit operator would have a development commitment of 3 to 10 Restaurants, which would result in development fees of \$45,000 to \$115,000 paid when you sign the Multi-Unit Operator Agreement. The development fee will be credited towards the initial franchise fee you owe under each Franchise Agreement. The development fee is uniformly imposed and non-refundable.

Initial Inventory

Prior to opening your Restaurant, you must acquire an initial inventory of proprietary sauces, protein mixes, and branded merchandise from Ohio Valley Foods. You may also elect to purchase additional food, beverage, paper products, or small wares from Ohio Valley Foods. We estimate that the cost of initial inventory you purchase from Ohio Valley Foods will be \$12,750 to \$17,000. The cost of the initial inventory is uniformly imposed among franchisees, though the total amount you pay may vary depending on the size and location of your Restaurant and other factors. You must pay all such amounts when invoiced by Ohio Valley Foods. Ohio Valley Foods may offer you a limited right to obtain replacement products and/or a refund if any products sold to you are materially defective or non-conforming, if you satisfy Ohio Valley Foods' then-current policies and procedures for any such replacement or refund, including that you notify Ohio Valley Foods of the issue promptly upon delivery of the products. Otherwise, no amounts you pay Ohio Valley Foods for initial inventory are refundable under any circumstances. Ohio Valley Foods may modify or terminate any refund policies at any time.

Online Ordering Set-Up Fee

You must pay our affiliate, Franklin Junction, a one-time fee to set-up for certain e-commerce services associated with online ordering. The amount of the set-up fee will be determined by Franklin Junction (currently, \$2,000 per Restaurant) and must be paid before you open your Restaurant, as invoiced by Franklin Junction. The set-up fee is uniformly imposed and non-refundable.

ITEM 6 OTHER FEES

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS ²
Royalty	6% of Gross Sales ³	Weekly	You must pay us a Royalty in the manner we prescribe. Currently, we collect the Royalty through electronic funds transfers.
Brand Fund Contribution	Then current fee, currently, 2% of Gross Sales ^{3, 4}	Weekly	You must pay the Brand Fund Contribution in the same manner as Royalties. We may modify this amount, subject to the Maximum Advertising Expenditure (defined in Item 11).

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS ²
Local Advertising Expenditure	Then current fee, currently, 1% of Gross Sales ^{3, 4}	Weekly	We currently require you to pay this amount to us to conduct marketing for your Restaurant, but we may require you to pay this to another affiliate or designee in the future, and/or spend this amount yourself on marketing. We may modify this amount, subject to the Maximum Advertising Expenditure (defined in Item 11).
Other Additional Training	Then current fee, currently \$300 per person per day ⁵	As incurred	This fee will be payable if (i) any of your Key Personnel fail to successfully complete the Initial Training Program to our satisfaction, and we require such person(s) to attend additional training, (ii) we require any of your Key Personnel to attend additional training at any time due to their failure to satisfactorily fulfill their duties at your Restaurant, (iii) you request additional training for any of your employees or managers and we agree to provide it, or (iv) you request that we provide the Initial Training Program to any of your personnel for your second or subsequent Restaurant.
Technology Fee	Then current fee, currently, \$250 per month, plus out of pocket costs for any on-site support	As incurred	We may charge you a technology fee (the “Technology Fee”) for technology related services, including website or email hosting, help desk support, software or website development, enterprise solutions and other services associated with your Computer System and/or any Franchise System Website. We may modify the amount of the Technology Fee periodically. The amount of your Technology Fee may also vary based on factors determined by you or your Restaurant (such as the number of email addresses you request).
Digital Brand Fee	\$5,000 per Digital Brand per Restaurant	As incurred	You must pay us this fee if you wish to activate a Digital Brand at any Restaurant, before you attend Digital Brand Training.
Digital Ordering Fee	Then-current fee (currently, \$299 per month per brand per Restaurant)	As incurred	Payable to our affiliate, Franklin Junction. This fee is payable for “The Original Hot Chicken” brand plus any additional Digital Brands.
Renewal Fee	50% of then-current initial franchise fee, plus any applicable Digital Brand Fee(s)	Before renewal	Payable if you renew your franchise after the expiration of the Franchise Agreement. Your right to renew your franchise is subject to certain terms and conditions (see Item 17).

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS ²
Transfer Fee	50% of then-current initial franchise fee, plus any applicable Digital Brand Fee(s) (for transfer of a Multi-Unit Operator Agreement, payable for each undeveloped Restaurant).	Before transfer	Payable as a condition of transfer; unless the transfer occurs because you (or your Principal Owner) dies or is disabled, if transfer is to an immediate family member, or an Entity wholly-owned by you, provided that in such cases you reimburse us for our processing costs, including legal fees. Your right to transfer is subject to certain terms and conditions.
Audit Costs	Cost of audit, including legal and accounting fees, travel expenses, room and board, and compensation of our employees.	Upon completion of audit, if applicable	If we audit your financial records because you failed to submit required reports when due, or if any audit reveals an understatement of Gross Sales of 3% or more, then you will reimburse us for the costs of the audit.
Re-Inspection Costs	Cost of re-inspections, including vendor fees, travel expenses, room and board, and compensation of our employees.	Upon completion of re-inspection, if applicable	If we determine after any inspection of your Restaurant that one or more failures of Brand Standards exist (or any circumstances exists that prevents us or our designated representatives from properly inspecting any or all of your Restaurant), we may re-inspect your Restaurant one or more times thereafter in our discretion to evaluate whether such failures have been cured or conduct any other follow-up review, and you will reimburse all of our costs associated with such re-inspections.
Interest	Lesser of 2% per month or the maximum rate permitted by law.	When billed	Interest applies to all amounts owed to us or our related parties.
Insufficient Funds Fee	Then current fee (currently, \$100 per instance)	Upon demand	If there are insufficient funds in your account to cover our withdrawals, we may charge you our then-current insufficient funds fee for each instance, subject to state law.
Supplier Testing Fee	Then current fee, currently out-of-pocket costs (estimated \$300 to \$500 per product)	As incurred	We may charge you a fee if you ask us to evaluate any proposed suppliers.

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS ²
Correction of Deficiencies	Reimbursement of all expenses, including vendor fees, travel expenses, room and board, and compensation of our employees	Upon demand	If you fail to maintain your Restaurant in accordance with our Brand Standards, or to de-identify your Restaurant upon termination or expiration, we may cure the deficiencies, and you must reimburse our costs.
Insurance	Then-current fee, currently, our out-of-pocket costs.	Upon demand	If you fail or refuse to obtain and maintain the insurance we specify, we may obtain such insurance for you and your Restaurant on your behalf, and you must reimburse us for all costs and expenses, plus a reasonable fee.
Management Fee	Then-current fee (currently, 5% of Gross Sales, plus expenses) ³	As incurred	If we or a third party we designate assume your Restaurant's management upon abandonment, termination, expiration, or failure to operate in accordance with Brand Standards beyond applicable cure periods, you must pay this fee in addition to all other fees owed (i.e. Royalties and Brand Fund Contributions).
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for any damages, claims, or costs arising from your Restaurant operations, your conduct under or breach of the Franchise Agreement and/or Multi-Unit Operator Agreement, or your gross negligence or willful misconduct.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	The prevailing party in any arbitration or litigation arising is entitled to recover from the other party all damages, costs and expenses, including court costs and reasonable legal fees.
Mystery Shopper Fee	Reimbursement of our expenses	As incurred	You must reimburse us for the cost of any mystery shoppers that we engage to inspect your Restaurant.

TYPE OF FEE ¹	AMOUNT	DUE DATE	REMARKS ²
Lost Revenue Damages	Will vary under circumstances	Within 15 days of termination	If we terminate your Franchise Agreement because of your default (or you terminate without cause), you must pay us the net present value of the balance of your Royalties and Brand Fund Contributions, from the date of termination until the earlier of (i) 2 years from the date of termination, or (ii) the scheduled expiration date of your Franchise Agreement (based on the average monthly Gross Sales during the preceding 12 months, or if you have been operating your Restaurant for less than 12 months, on the average monthly Gross Sales of all Restaurants during our previous fiscal year).

NOTES

1. Except as described in this Item 6, all fees are non-refundable and are paid to us. We are not obligated to impose all fees uniformly. Our fees may vary based on specific terms negotiated with franchisees and/or the facts or circumstances of a particular situation or franchisee. All amounts payable by you to us must be in United States Dollars (\$USD).

2. You must pay the Royalty, the Brand Fund Contribution and other amounts due under the Franchise Agreement or Multi-Unit Operator Agreement as we periodically prescribe. Currently, we require all one-time payments to be made by wire transfer, and all recurring payments to be made through an electronic funds transfer system that allows us to debit a business account you designate for all amounts you owe us on their due dates or the next business day if the due date is a national holiday or a weekend day. You must ensure that funds are available in your designated account to cover our withdrawals. If the amounts that we debit from your account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your business account on the next payment due date. We may require you to make payments through any other method at any time, and you must comply with our payment instructions. We may change the timing and intervals of your payments with 30 days’ notice to you.

3. “Gross Sales” means the total gross revenue or consideration derived from your sale of products and services and all other income of every kind and nature, directly or indirectly, from operating your Restaurant, including all revenue or consideration you derive from delivery, catering or otherwise at or away from the Premises, and including all revenue derived from Digital Brands, and whether from cash, check, credit and debit card, exchange, trade credit, or other credit transactions. There will be no deductions allowed for uncollected or uncollectible credit accounts or bad debts, or for discounts or promotional pricing. Gross Sales includes the proceeds of any business interruption insurance or similar insurance. If we authorize or require participation in online group-bought deals, gift certificate and/or gift card programs, the payments you receive for those online group-bought deals, gift certificates or gift cards will be included in Gross Sales in accordance with our then-current guidelines for calculating Gross Sales. Gross Sales does not include the amount of any tax imposed by any federal, state, municipal or governmental authority directly on sales and collected from customers if such tax is added to the selling price and actually paid by you to such governmental authority. If we

ever stop having access to information from your Computer Systems (as defined in Item 11), and you fail to report your Restaurant's Gross Sales when due, then for each payment due under the Franchise Agreement that is calculated based on Gross Sales, we may debit your business account 110% of the average of the last three payments that we debited. If the amounts that we debit from your business account are less than the amounts you actually owe us (once we have determined your Restaurant's true and correct Gross Sales), we will debit your business account for the balance on any day we specify. If the amounts that we debit from your business account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your business account on the next payment due date.

4. We may change the amount of the Brand Fund Contribution or Local Advertising Expenditure, with 30 days' notice to you, provided that the combined Brand Fund Contribution and Local Advertising Expenditure will not at any time exceed 5% of your Gross Sales.

5. You must pay all travel and living expenses (including wages, transportation, food, lodging and workers' compensation) incurred by you (or your Principal Owner), your Approved Manager or any other members of your team during all training courses and programs. You must also pay all travel and living expenses (including transportation, food, and lodging) incurred by any of our representatives that we send to your Restaurant to provide training courses or programs.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT
(MULTI-UNIT OPERATOR AGREEMENT)

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT ¹	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Development Fees ²	\$45,000	\$115,000	Lump sum	When you sign your Multi-Unit Operator Agreement	Us
Professional Fees ³	\$5,000	\$15,000	As incurred	Before you sign your Multi-Unit Operator Agreement	Third-Party Suppliers
Additional Funds – 3 months ⁴	\$500	\$2,000	As incurred	As incurred	Third-Party Suppliers
TOTAL ESTIMATED INITIAL INVESTMENT ^{5,6}	\$50,500	\$132,000			

NOTES

1. None of the amounts payable to us or our affiliates in this table are refundable under any circumstances. All amounts payable to third parties will be paid under the terms of your agreement with these respective third parties.

2. As described in Item 5, the range above is for our current estimated commitment of 3 to 10 Restaurants. The development fee will be credited towards the initial franchise fee per Restaurant.

3. We recommend that you consult with an attorney and accountant to advise you in connection with forming an Entity to act as the multi-unit operator, acquiring the multi-unit operator rights from us, and developing a business plan for development of Restaurants. However, the amount of professional fees you incur will vary based on the number of representatives you engage, the experience and sophistication of those representatives, and the geographic market in which you operate. This estimate does not include professional fees you may incur in hiring business consultants or other representatives to assist you.

4. This estimate includes the cost of certain office supplies and other miscellaneous expenses. The figures shown above are based on the experience of our affiliates in the industry generally.

5. As described further in Item 1, for each Restaurant that you develop under the terms of a Multi-Unit Operator Agreement, you must execute an individual Franchise Agreement, and incur the costs associated with developing a Restaurant under the terms of that Franchise Agreement. The estimate provided above does not include an estimate of any costs incurred under the terms of any individual Franchise Agreement. Our current estimated initial investment for the development of a single Restaurant is outlined below. We do not provide any estimate of the cost of developing a Restaurant in the future, which may vary based on changes to Brand Standards and market conditions.

6. The estimated initial investment figures provided in this chart assume that you (or your Principal Owner) are not paid any salary or wages, and do not include an estimate of such amounts or any other associated payroll costs for you (or your Principal Owner). We do not offer financing directly or indirectly for any part of the initial investment.

YOUR ESTIMATED INITIAL INVESTMENT
(FRANCHISE AGREEMENT)

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT ¹	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Initial Franchise Fee ²	\$25,000	\$25,000	Lump sum	Upon signing Franchise Agreement	Us
Construction / Leasehold Improvements ³	\$8,388	\$153,470	As incurred	Before you open your Restaurant	Third-parties
Furniture, Fixtures and Décor ⁴	\$9,347	\$57,078	As incurred	Before you open your Restaurant	Third-parties
Equipment & Smallwares ⁵	\$30,896	\$128,487	As incurred	Before you open your Restaurant	Third-parties
POS, Computer Systems ⁶	\$12,000	\$25,000	As incurred	Before you open your Restaurant	Third-parties
Drive Thru ⁷	\$25,690	\$34,007	As incurred	Before you open your Restaurant	Third-parties

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT ¹	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
	Low	High			
Signage ⁸	\$8,935	\$17,869	As incurred	Before you open your Restaurant	Third-parties
Three Months' Rent ⁹	\$20,000	\$55,000	As incurred	As incurred	Landlord
Utilities ¹⁰	\$2,500	\$12,500	As incurred	As incurred	Third-parties
Security Deposit ¹¹	\$5,000	\$25,000	As incurred	Before you open your Restaurant	Landlord
Initial Inventory and Supplies ¹²	\$15,000	\$20,000	As incurred	Before you open your Restaurant	Ohio Valley Foods and Third-parties
Online Ordering / Delivery (Set-Up Fee) ¹³	\$2,000	\$2,000	As incurred	Before you open your Restaurant	Franklin Junction
Grand Opening Advertising ¹⁴	\$15,000	\$15,000	As incurred	Before you open your Restaurant	Third-parties
Initial Training Program Expenses ¹⁵	\$5,000	\$10,000	As incurred	Before you open your Restaurant	Third-party providers of travel, lodging, and food services
Crew Training & Pre-Opening Salaries ¹⁶	\$10,000	\$20,000	As incurred	Before you open your Restaurant	Third-parties
Licenses and Permits ¹⁷	\$2,500	\$7,500	As incurred	Before you open your Restaurant	Governmental authorities and other third-parties
Professional Fees ¹⁸	\$5,000	\$15,000	As incurred	As incurred	Third-parties
Insurance ¹⁹	\$3,000	\$25,000	As incurred	Before you open your Restaurant	Insurance Companies
Additional Funds - 3 months ²⁰	\$10,000	\$50,000	As incurred	As incurred	Third-parties
TOTAL ESTIMATED INITIAL INVESTMENT ²¹	\$215,256	\$697,911			

NOTES

1. Except as otherwise provided, none of the amounts payable to us or our affiliates in this table are refundable under any circumstances. All amounts payable to third parties will be paid pursuant to the terms of your agreement with these respective third parties.
2. The initial franchise fee listed is non-refundable once paid.
3. You will be responsible for all costs associated with leasehold improvements. We may require you to obtain layout plans and/or schematics for your Restaurant from a designated or approved vendor, which may be us or our affiliates, and you must pay the then-current fees charged by such vendor. If you do not obtain layout plans and/or schematics from us or our designated vendor, you must hire an architect that meets our Brand Standards to prepare all required plans and/or schematics for your Restaurant. The low estimate is based on the conversion of an existing restaurant space. The high estimate is based on the conversion of a “white box” or “vanilla shell” space, which will incur higher costs of development. Our estimate of leasehold improvements does not include any build-out costs associated with installing HVAC systems, concrete slab, or alarm/fire-suppression systems. Leasehold improvements does include the cost of bathroom plumbing or fixtures, electrical service and wiring, four walls that are prepped for painting, ceiling, store front and door, millwork, interior wall construction, paint, wall and floor finishes, floor sinks, grease trap and sinks, decorative lighting, and other costs of developing your Restaurant in accordance with our specifications. Our estimate for leasehold improvements does not include any tenant improvement allowance that may be granted by landlords. You should maintain a substantial contingency reserve for any cost overruns, particularly if you are developing at a conversion site from a prior restaurant. Tenant improvement allowances are site specific and dependent upon several variables, including rent, occupancy levels and local market conditions, which are beyond our control. The cost for leasehold improvements can also be impacted by a number of other factors, including size, location and condition of the Premises. Pricing in materials, labor and code-related costs may also be impacted by the location, size, layout, and other factors, such as the brands and quality of materials.
4. The cost of furniture, fixtures and equipment will depend on the brand(s) purchased, freight and installation costs, applicable state and local taxes and other factors.
5. The cost for equipment and smallwares is dependent on the brand(s) purchased, whether the location is a conversion site and can also be impacted by a number of other factors, including size, location and condition of the Premises. Pricing in materials, labor and code-related costs may also be impacted by the location, size, layout, and other factors, such as the brands and quality of materials.
6. The cost of your Computer System will depend on whether you already own components of the Computer System, freight and installation costs, the cost of internet and connectivity services in your area, applicable state and local taxes and other factors.
7. Some locations will have the option of a drive thru. The estimated cost for the drive thru is based on there already being an existing drive thru lane and window at the location, and the costs estimated above are only related to converting to the brand for the Restaurant. The cost can be impacted by a number of factors, including size, location and condition of the Premises, and the contract and prices you negotiate with your suppliers, and local freight and installation.

8. The cost of signage can be impacted by a number of factors, including size, location and condition of the Premises, and the contract and prices you negotiate with your suppliers, and local freight and installation.

9. The cost of acquiring or leasing your Premises will vary significantly depending upon the market in which the proposed site is located. A suitable building for a Restaurant will range in size from approximately 1,000 square feet to 5,000 square feet. Local market conditions and changes in the economy will all contribute to your real property costs. The location of the parcel of real property, its relationship to and the nature of any adjoining uses, and its accessibility will also affect both its size and price. Lease agreements vary but usually require the lessee to pay for maintenance, insurance, taxes and any other charges or expenses for the land and building and the operation of the Restaurant or they may require that the lessee reimburse the lessor for its proportionate share of these payments (plus interest) made for the lessee and pay minimum monthly rent and/or percentage rent. Our estimate above includes only basic rent and does not include an estimate of any other fees imposed by your landlord, local taxes, insurance, or other similar occupancy costs. You should read your Lease carefully before signing it and discuss all provisions with your financial advisors.

10. You must maintain all utilities necessary to operate your Restaurant in accordance with the Brand Standards, including gas service, telephone service, electric service and other similar utilities. Utility costs will vary widely depending on the practice of the utility companies and the costs in your market area. Utility companies may require you to place a deposit before installing telephone, gas, electricity and related utility services, which may be refundable in accordance with the agreements made with the utility companies. You should review the rates in the state in which your Restaurant will operate for an estimate of the utility costs you will be required to pay.

11. The amount of the security deposit you pay under your Lease will depend on the size, condition and location of your Restaurant and the demand among prospective lessees. The security deposit may be refundable under the terms of the Lease.

12. Opening supplies and inventory includes food, beverage, packaging and other supplies. Due to differences in local laws, prices, suppliers, geography and commercial practices, you may elect to carry a larger inventory. The cost of your opening supplies and inventory will depend on the brand(s) purchased, local costs and other factors. As described in Item 8, some of your opening inventory must be acquired from Ohio Valley Foods and any refund or replacement rights you have will be subject to Ohio Valley Foods then-current policies. We currently estimate that the cost of initial inventory you purchase from Ohio Valley Foods will be \$12,750 to \$17,000.

13. As described in Item 5, you must pay our affiliate, Franklin Junction, a one-time fee (per Restaurant) to set up your account for e-commerce services.

14. The Franchise Agreement requires you to spend a minimum of \$15,000 for a grand opening marketing program (as described in Item 11). You may spend more than that amount though to advertise the grand opening of your Restaurant. The cost of your grand opening advertising will depend on the products and advertising services you purchase, and the amount of advertising (above the minimum) that you elect to conduct. We may require some or all of this amount to be paid to us and our affiliates to conduct marketing on your behalf.

15. You must pay for the transportation, food, lodging, and other expenses that you will incur for your Key Personnel when they attend the Initial Training Program. These expenses may vary based on

the distance travelled and the standard of living your attendees desire while attending the Initial Training Program. For this estimate, we have assumed you will send only 1 Principal Owner and 2 additional management level employees (one of which must be your Approved Manager, if applicable). You may request that we provide any portion of the Initial Training Program on-site at your Restaurant, but we are not required to grant your request, and such training would be subject to additional fees (currently, \$300 per person per day, plus expenses). The estimate above does not include on-site training at your Restaurant. We do not offer the Initial Training Program for your second or subsequent Restaurant, though if we agree to provide such training at your request, it would be subject to additional fees (currently, \$300 per person per day, plus expenses). The estimate above is based on the first Restaurant and does not include any such additional fees for the Initial Training Program

16. You are responsible for providing a training program for all your employees other than the attendees of the Initial Training Program. All employees must satisfactorily pass a training program that meets our minimum criteria before providing services at your Restaurant. Costs associated with training your employees will include training materials, and salary and payroll expenses. Costs will depend on how many employees you hire.

17. You must obtain certain business, health, and various other licenses or permits for the operation of your Restaurant, as applicable. The costs of these licenses and permits will vary substantially based on the location of your Restaurant. In particular, the cost to obtain a liquor license varies greatly depending on the licensing authority involved and the local liquor license resale market, if any. You are not required to serve alcohol products at your Restaurant but may have the option to do so based on the location of your Restaurant. The cost of obtaining a liquor license is not included in our estimate because we do not require you to obtain such a license. If you intend to serve or otherwise sell alcohol products at your Restaurant, you should carefully review the system of liquor licensing in your state and review the expected range of costs.

18. We recommend that you consult with a lawyer and an accountant to advise you in connection with forming an Entity, entering into a franchise relationship with us, and developing a business plan for your operation of the Restaurant. However, the amount of professional fees you incur will vary based on the number of representatives you engage, the experience and sophistication of those representatives, and the geographic market in which you operate. This estimate does not include professional fees you may incur in hiring business consultants, general contractors, or other representatives to assist you.

19. You must obtain and maintain certain types and amounts of insurance. Insurance costs depend on policy limits, types of policies, nature and value of physical assets, revenue, number of employees, wages paid, square footage, location, business contents, and other factors bearing on risk exposure. Insurance providers may require either an annual payment or semi-annual installments. Your insurance costs will vary widely based on the location of the Restaurant, the specifications of the Premises, the number of employees you hire and your own background. You should review the rates in the state in which your Restaurant will operate for an estimate of the premium you will be required to pay. Our estimate contemplates a semi-annual installment paid in advance of your Restaurant opening.

20. This item estimates your initial start-up expenses (other than the items identified separately in the table) for your Restaurant's first three months of operation, including miscellaneous supplies and equipment, payroll costs, petty cash, and other miscellaneous costs. The estimated initial investment figures provided in this chart assume that you are operating the Restaurant as its Principal Owner. This estimate does not include any estimate for salary or payroll costs for you (or your Principal Owner).

The estimated funds shown above for constructing and opening a Restaurant are based on our and our affiliates experience in the restaurant industry generally and with the Company Restaurants.

21. None of the estimates above include any applicable taxes. Further, the estimates above do not include any costs for activating a Digital Brand at your Restaurant, as we would not typically expect any Digital Brand(s) to be activated within the first 3 months of operation. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

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

Required Purchases of Products and Services from Suppliers

We have developed or may develop Brand Standards specifying the types, models and brands of required fixtures, furniture, equipment, components of the Computer System, furnishings, signs, inventory, and other products, materials, supplies and services to be used at a Restaurant (collectively, the “Operating Assets”). You must purchase and use only the products and services meeting our Brand Standards for Operating Assets. You must also purchase certain Operating Assets only from suppliers that we have designated or approved (or that otherwise meet our Brand Standards).

We may condition our selection or approval of a product or supplier on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service or other criteria. We may elect not to issue to you or any of our approved suppliers (except as we deem necessary for purposes of production) these standards and specifications. We do not currently issue our criteria for products, services, and suppliers to franchisees or approved suppliers.

If you would like us to consider approving a supplier that is not currently an approved supplier, you must submit your request in writing before purchasing any items or services from that supplier. We will make all determinations about whether to approve an alternative supplier based on our then-current criteria, which may change periodically. Currently, we estimate that we will provide notice of our decision to approve or disapprove an alternative supplier within 30 days of receiving the request. We may also refuse to consider and/or approve any proposed alternative supplier for any reason. We may charge you a fee if you ask us to evaluate any proposed alternative suppliers (currently, our direct costs). We may revoke our approval of any vendor at any time with notice to you.

Currently, you must purchase (i) proprietary sauces, proprietary proteins, and branded supplies from Ohio Valley Foods, (ii) certain e-commerce support for online ordering and virtual brand management from Franklin Junction, (iii) soft drinks, signage and menu boards, meat products, other food items, credit card processing, point-of-sale, mystery shopper services, architectural services, sanitation services, insurance, marketing services, and compliance services from our other designated exclusive

suppliers of such products and services, and (iv) other food, ingredients, printed paper and packaging, signage, and Operating Assets from suppliers that we have approved.

In our prior fiscal year ended May 31, 2023, neither we nor our affiliates derived any revenue from the sale of products and services to our franchisees.

Collectively, the purchases you obtain according to our specifications or from approved or designated suppliers represent approximately 60%-80% of your total purchases to establish your Restaurant and 40%-80% of your total purchases to operate your Restaurant.

Insurance

You must obtain and maintain the minimum insurance coverage that we periodically require under the Brand Standards Manual, at your own expense and from carriers who maintain a Best's Financial Strength rating of "A-/VIII" or above. Currently, we require the following types of minimum coverage: general liability (\$1,000,000 per occurrence; \$2,000,000 aggregate); damage to Premises, with medical payments included (\$300,000); personal injury (\$1,000,000); motor vehicle combined (\$1,000,000); employment practices liability (\$1,000,000 per occurrence, wage and hour sublimit of \$25,000); cyber (\$1,000,000); workers' compensation (statutory limits); business income and extra expense coverage of at least 12 months of income replacement; personal property and tenant improvements at full replacement cost; umbrella (\$1,000,000 per occurrence; \$1,000,000 to \$5,000,000 aggregate). We may require higher limits if you operate more than one Restaurant. We may require you to obtain all or a portion of your required insurance from a designated supplier and on the terms and according to the specifications we approve. The liability insurance must cover claims for bodily and personal injury, death, and property damage caused by or occurring in connection with your Restaurant's operation or activities of your personnel in the course of their employment. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages (including reasonable excess liability insurance) at any time.

Each insurance policy for liability coverage must name us and any affiliates we designate as additional named insureds, using a form of endorsement that we have approved, and provide for 30 days' prior written notice to us of a policy's material modification, cancellation or expiration. Each insurance policy must contain a waiver of all subrogation rights against us, our affiliates and their successors and assigns. You must routinely provide us copies of your Certificates of Insurance or other evidence of your maintaining this insurance coverage and paying premiums. If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies including termination, we may (but are not required to) obtain such insurance for you and your Restaurant on your behalf, in which event you must cooperate with us and reimburse us on demand for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee.

Purchase Agreements, Material Benefits and Revenue

In some cases, we or our affiliates will negotiate purchase agreements, including prices and terms, with designated and approved suppliers on behalf of Restaurants. Currently, we have negotiated or are in the process of negotiating purchase arrangements, including pricing terms, with suppliers of food and beverage products, signage, POS system, credit card processing, signage and menu boards, mystery

shopping services, sanitation services, and compliance services. You may be required to purchase these items at a price or on other terms we have negotiated in advance.

We and/or our affiliates may derive consideration, revenue and profits based on your purchases from us and/or our designated suppliers (including from charging you for products and services we or our affiliates provide to you and from promotional allowances, rebates, sponsorships, volume discounts and other payments, services or consideration we receive from suppliers and others that we designate or approve for some or all of our franchise owners). We and/or any of our affiliates may retain and use such consideration, revenue, and profit without restriction. Currently, neither we nor our affiliates derive any revenue or other consideration from suppliers on the basis of sales to franchisees, but we may do so at any time in the future. During our last fiscal year ended May 31, 2023, neither we nor our affiliates received any revenue or other consideration from suppliers on the basis of sales of products or services to franchisees. We do not currently provide material benefits to franchisees for purchasing particular products or services or using particular suppliers. As of the issuance date of this Disclosure Document, we have not established purchasing or distribution cooperatives.

As of the issuance date of this Disclosure Document, none of our officers own any interest in any of our approved suppliers, other than interests in our affiliate Ohio Valley Foods and Franklin Junction.

ITEM 9 **FRANCHISEE’S OBLIGATIONS**

This table lists our principal obligations under the Franchise Agreement and Multi-Unit Operator Agreement. 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 Agreements	Disclosure Document Item
(a) Site selection and acquisition/lease	Sections 2A and 2B in Franchise Agreement Section 2A and 2B in Multi-Unit Operator Agreement	Item 11
(b) Pre-opening purchases/leases	Section 2 in Franchise Agreement	Items 5, 7, 8 and 11
(c) Site development and other pre-opening requirements	Section 2 in Franchise Agreement Section 2 in Multi-Unit Operator Agreement	Items 7, 8, and 11
(d) Initial and ongoing training	Section 4 in Franchise Agreement	Items 6, 7, and 11
(e) Opening	Sections 2D and 8A in Franchise Agreement Section 2A in Multi-Unit Operator Agreement	Item 11

Obligation	Section in Agreements	Disclosure Document Item
(f) Fees	Sections 3 and 14(6) in Franchise Agreement Sections 3 and 6C(8) in Multi-Unit Operator Agreement	Items 5, 6, 7, and 11
(g) Compliance with Standards and Policies/Brand Standards Manual	Sections 4F and 6 in Franchise Agreement	Items 8, 11 and 16
(h) Trademarks and proprietary information	Sections 5 and 11 in Franchise Agreement Section 4 in Multi-Unit Operator Agreement	Items 13 and 14
(i) Restrictions on products/services offered	Sections 7C, 7D, 7E and 7J in Franchise Agreement	Items 8, 11, 12 and 16
(j) Warranty and customer service requirements	Section 7F in Franchise Agreement	Item 11
(k) Territorial development and sales quotas	Section 1B and 1C in Multi-Unit Operator Agreement	Item 12
(l) Ongoing product/service purchases	Sections 7C, 7D and 7E in Franchise Agreement	Items 6 and 8
(m) Maintenance, appearance and remodeling requirements	Section 7B in Franchise Agreement	Items 6, 8, 11 and 17
(n) Insurance	Section 7I in Franchise Agreement	Items 7 and 8
(o) Advertising	Section 8 in Franchise Agreement	Items 6, 7, 8, and 11
(p) Indemnification	Section 17D in Franchise Agreement Section 9D in Multi-Unit Operator Agreement	Item 6
(q) Owner's participation, management, and staffing	Sections 1C, 7A and 7H in Franchise Agreement Section 1E in Multi-Unit Operator Agreement	Items 11 and 15

Obligation	Section in Agreements	Disclosure Document Item
(r) Records/reports	Section 9 in Franchise Agreement Section 2F in Multi-Unit Operator Agreement	Item 6
(s) Inspections/audits	Section 10 in Franchise Agreement	Items 6 and 11
(t) Transfer	Section 13 in Franchise Agreement Section 6 in Multi-Unit Operator Agreement	Items 6 and 17
(u) Renewal	Section 14 in Franchise Agreement	Items 6 and 17
(v) Post-termination obligations	Section 16 in Franchise Agreement Section 8 in Multi-Unit Operator Agreement	Item 17
(w) Non-competition covenants	Sections 12 and 16F in Franchise Agreement Sections 5A and 8B in Multi-Unit Operator Agreement	Item 17
(x) Dispute resolution	Section 18 in Franchise Agreement Section 10 in Multi-Unit Operator Agreement	Item 17

ITEM 10 **FINANCING**

We do not offer direct or indirect financing. We do not guarantee your promissory notes, mortgages, leases or other obligations.

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

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

Assistance to Begin Operation of a Restaurant

Before you begin operation of your Restaurant, we or our designees will:

1. Review and either accept or reject the proposed site for your Restaurant. (Franchise Agreement – Section 2A; Multi-Unit Operator Agreement – Section 2B)
2. Review and either approve or disapprove your Lease for the Restaurant. (Franchise Agreement – Section 2B)

3. Provide you the Brand Standards for your Restaurant, including for dimensions, design, image, signage, interior layout, decor, Operating Assets. We do not directly provide, deliver, or install any Operating Assets to our franchisees. (Franchise Agreement – Sections 2C and 6A)
4. Provide the Initial Training Program to you (or if you are conducting business as an Entity, your Principal Owner) and 2 additional management level employees of your Restaurant (one of which must be your Approved Manager, if applicable). (Franchise Agreement – Section 4A)
5. On or around your first Restaurant’s opening date, we will provide on-site guidance and initial operations support in connection with the opening of the Restaurant, at no cost to you. We will determine the identity and composition of the training team that we send in our discretion, which may be comprised of only one person. (Franchise Agreement – Section 4B)
6. Provide you access to and/or a copy of the Brand Standards Manual (defined in Item 11). (Franchise Agreement – Section 4F)

Site Selection

You must use the Premises indicated in your Franchise Agreement for your Restaurant. If you have not yet located a site for the Premises when you sign your Franchise Agreement, then you must select a suitable site for your Premises and obtain our acceptance of that site as your Premises. We will identify a site selection area in your Franchise Agreement, and unless you have our prior written approval you will not be permitted to search for a proposed site outside of that site selection. Neither we nor our affiliates generally own the sites for Restaurants and lease those sites to franchisees. We may require that you hire a service provider that we designate, which may be one of our affiliates, to assist you with the site selection process. We must accept the site of your Restaurant before you sign any Lease (defined below) and before that site will be deemed your Premises under the Franchise Agreement. You must send us all of the information we require for the proposed site.

If you have signed a Multi-Unit Operator Agreement, you must give us all information we request to assess any site that you propose to develop a Restaurant, including your financial and operational ability to develop and operate a Restaurant at that site, and any letter of intent or other information about the proposed lease or acquisition of the real property of that site. You must obtain our approval of the site for the proposed Restaurant before you sign a Franchise Agreement for that Restaurant.

We will make all determinations about whether to accept a site based on our then-current criteria, which may change periodically. Currently, we estimate that we would provide notice of our decision to accept or reject a proposed site within 30 days of receiving the request and all associated information about the site. The criteria we use to evaluate proposed sites include visibility, size, layout, adjacent uses, parking, demographics, local competition, and other factors we determine periodically.

Lease of Premises

You must obtain lawful possession of a site that we approve as the Premises within 120 days of the date of the Franchise Agreement by entering into a lease, sublease or other document we approve (the “Lease”), or we may terminate the Franchise Agreement. The Lease must contain certain provisions we require, including collateral assignment of lease, pursuant to the form of lease rider attached as Exhibit D to your Franchise Agreement (“Lease Rider”). Our approval of your Lease is subject to our

receipt of the Lease Rider, without modification or negotiation, executed by you and the landlord. You must deliver to us an executed Lease and Lease Rider promptly after they are signed.

Development of Restaurant

We will provide you with Brand Standards for your Restaurant, including requirements for dimensions, design, color scheme, image, interior layout, decor, and Operating Assets which include fixtures, equipment, signs, and furnishings. We may also require you to obtain layout plans and/or schematics for your Restaurant from a designated or approved vendor, which may be us or our affiliates, and you must pay the then-current fees charged by such vendor. If you do not obtain layout plans and/or schematics from us or our designated vendor, you must hire an architect that meets our Brand Standards to prepare all required plans and/or schematics for your Restaurant. Regardless of who prepares the layout plans and/or schematics for your Restaurant, you are responsible for ensuring that all plans and schematics for your Restaurant comply with applicable laws, regulations, zoning, ordinances, building codes, permits, lease requirements and restrictions, and our Brand Standards. You are also responsible for obtaining approval of all such plans and schematics from any applicable governmental authority.

Opening Requirements

You must open your Restaurant by the earlier of the first anniversary of your Franchise Agreement, or 180 days after signing your Lease. If you fail to open your Restaurant within this time, we may terminate the Franchise Agreement and retain the entire initial franchise fee. The typical length of time between signing the Franchise Agreement and opening the Restaurant is 3 to 9 months. Factors that affect this time include obtaining a satisfactory site, financing arrangements, lease negotiations, local ordinances, delivery and installation of equipment, obtaining insurance, obtaining licenses and permits, and renovation of the Premises.

Assistance During the Operation of Your Restaurant

During your operation of your Restaurant, we or our designees will:

1. Continue to provide you an electronic copy of the Brand Standards Manual. (Franchise Agreement – Section 4F)
2. Let you use our Marks and certain copyrighted and copyrightable materials. (Franchise Agreement – Section 5)
3. Approve or disapprove proposed advertising materials submitted by you, if applicable. (Franchise Agreement – Section 8C)
4. Provide you advice from time to time regarding your Restaurant's operations, subject to scheduling, availability, and similar resources. (Franchise Agreement – Section 4E).
5. Administer the Brand Fund(s) as described below, if one or more Brand Fund(s) have been established. (Franchise Agreement – Section 8D)
6. If we require you to pay the Local Advertising Expenditure to us or our affiliates, we or our designees will use such funds to conduct local advertising for your Restaurant (Franchise Agreement – Section 8B)

7. We have the right to periodically set maximum or minimum prices that you may charge for products and services offered by your Restaurant. (Franchise Agreement – Section 7J)
8. If you wish to offer a Digital Brand, approve or disapprove you to offer such Digital Brand, and if approved, provide you Digital Brand Training. (Digital Brand Rider – Sections 2 and 5)

Brand Standards Manual.

We will inform you of our Brand Standards, other suggested or recommend specifications and standards, and information on your other obligations under your Franchise Agreement, through one or more separate manuals, as well as via software, applications, internet or intranet sites or other Online Presence, bulletins and/or other written materials (collectively, the “Brand Standards Manual”). We may modify the Brand Standards Manual periodically, including changes in Brand Standards. The current table of contents of the Brand Standards Manual is attached to this Disclosure Document as Exhibit C. There are currently a total of 72 pages in our Brand Standards Manual. If you elect to offer any Digital Brands, we may issue you additional supplements to the Brand Standards Manual.

Advertising and Promotion

Grand Opening Advertising. You must spend at least \$15,000 for a grand opening marketing program for your Restaurant to take place on the dates we designate before and after your Restaurant opens. You must spend this amount in addition to all other amounts you must spend on advertising specified in the Franchise Agreement. The amount you spend on grand opening advertising will not count towards your Local Advertising Expenditure (defined below) or your Maximum Advertising Expenditure (defined below). You must use media, materials, programs, and strategies we approve in connection with the grand opening advertising program. We may require you to pay this amount to us, or our affiliate or designee, to conduct marketing on your behalf, though we do not currently do so.

Brand Fund(s). We may periodically establish and administer one or more brand fund(s) to administer certain advertising, marketing, and public relations programs for “The Original Hot Chicken” brand, other Digital Brands, and the promotion of Restaurants (each a “Brand Fund”). You must contribute to each Brand Fund the amount that we determine (the “Brand Fund Contribution”). Currently, the Brand Fund Contribution is 2% of Gross Sales. The amount of the Brand Fund Contribution is subject to change, though the amount of your Brand Fund Contribution, together with your Local Advertising Expenditure will not collectively exceed the Maximum Advertising Expenditure (defined below).

The purpose of the Brand Fund(s) are to promote the Marks, the Franchise System, “The Original Hot Chicken” brand, other Digital Brands, and Restaurants generally, and you may not benefit in proportion to your Brand Fund Contribution. We are not required to spend any specific amount on advertising in your geographic area. We expect Restaurants operated by us and our affiliates to contribute to the Brand Fund(s) on the same basis as franchisees. Certain franchisees may contribute to the Brand Fund(s) in different amounts than described in this Disclosure Document or may not contribute to the Brand Fund(s) at all, on the basis of prior Franchise Agreements with us and/or negotiated terms.

We will have exclusive control over all programs and services administered by the Brand Fund(s), including all creative concepts, materials, and campaigns and their geographic market, media placement and allocation. The Brand Fund(s) may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining any Online Presences or other software or applications; administering advertising and marketing campaigns;

administering regional and multi-regional marketing and advertising programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing strategy or implementation activities; and/or any other expenditures that are directly or indirectly related to promoting the Marks, the Franchise System, the brands, and/or Restaurants. The Brand Fund(s) may pay for its administrative and overhead costs, including the reasonable salaries and benefits of personnel who manage and administer the Brand Fund(s), and any other expenses that we or our affiliates incur that are related to administering or directing the Brand Fund(s) and its programs. We may also elect to use (but will not have the obligation to use) the Brand Fund(s) to pay for or reimburse franchisees for the costs they may incur for promoting their Restaurants and/or complying with updated branding guidelines. We may modify Brand Fund(s) programs, services, or expenditures at any time in our sole discretion.

We will account for the Brand Fund(s) separately from our other funds, but neither we nor any of our affiliates has any fiduciary obligation to you or any other person for administering the Brand Fund(s) or for any other reason. The Brand Fund(s) may spend in any fiscal year more or less than the total Brand Fund Contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and give you the statement on written request, within 120 days after the end of each fiscal year, but not less than 30 days' notice from you of such request. We may have the Brand Fund(s) audited annually, at the Brand Funds' expense, by an independent accountant. We may also administer the Brand Fund(s) through a separate Entity whenever we deem appropriate, and such Entity will have all of the rights and duties specified here.

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Brand Fund Contributions at the Brand Funds' expense. We may also forgive, waive, settle, and compromise all claims by or against the Brand Fund(s) as we determine.

We may at any time reduce, suspend, terminate, and/or re-instate Brand Fund Contributions and/or operations of the Brand Fund(s) for one or more periods of any length. If we terminate the Brand Fund(s), we will spend the remaining balance in the Brand Fund(s) until such amounts are exhausted. We may elect to maintain multiple Brand Funds, whether determined by geographic region, country, brand, or otherwise, or consolidate or merge multiple Brand Funds, in each case provided that each such Brand Fund will otherwise remain subject to the terms of your Franchise Agreement. If we maintain multiple Brand Funds, we will determine how Brand Fund Contributions will be segregated among each applicable Brand Fund, and we may modify our procedures at any time with notice to you.

Currently, we maintain a single Brand Fund for the promotion of the "The Original Hot Chicken" brand and all Digital Brands. We have no obligation to spend Brand Fund Contributions in proportion to the Gross Sales attributable to "The Original Hot Chicken" brand or other Digital Brands.

In our most recent fiscal year ended May 31, 2023, we did not collect any Brand Fund Contributions and therefore no amounts were spent on production, media placement, administrative expenses, or soliciting new franchise sales.

Local Advertising. You must advertise and market your Restaurant in any advertising medium we determine, using forms of advertisement we approve or designate. You must also list your Restaurant with the online directories and subscriptions we periodically prescribe (such as Yelp® and Google®), and/or establish any other Online Presence (as defined in Item 13) we require. You must comply with all of our Brand Standards for your advertising.

You must spend an amount that we designate to advertise and promote your Restaurant (the “Local Advertising Expenditure”). Currently, the Local Advertising Expenditure is 1% of your Gross Sales per month, and must be paid to us to conduct marketing for your Restaurant. We may change the amount of your Local Advertising Expenditure periodically, subject to your Maximum Advertising Expenditure (5% of Gross Sales). We will determine what type of expenditures that will count towards your Local Advertising Expenditure. Indirect costs you incur in managing your local advertising, such as salaries and benefits of employees administering the campaigns, will not be counted towards your Local Advertising Expenditure. Additionally, any costs you incur for advertising conducted at the Premises, such as in-store materials and signage, will not be counted towards your Local Advertising Expenditure. On our request, you must send us, in the manner we prescribe, an accounting of your Local Advertising Expenditures during the preceding months. We may at any time, on one or more occasions, cease collecting all or part of the Local Advertising Expenditure or change the proportion of the Local Advertising Expenditure that you must pay us, our designees, and/or spend yourself on marketing for your Restaurant. You may elect to spend more than your Local Advertising Expenditure.

Your advertising, promotion, and marketing must be completely clear, factual, and not misleading and conform to the highest standards of ethical advertising, the Brand Standards, and any marketing and the advertising and marketing policies that we prescribe. At least 30 days before you intend to use them, you must send us samples of all advertising, promotional and marketing materials that we have previously not approved. If we do not approve of the materials within 14 days of our receipt of such materials, then they will be deemed disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

We may increase the required Local Advertising Expenditure if you offer Digital Brands, subject to the Maximum Advertising Expenditure (5% of Gross Sales). We may also set Brand Standards for the percentage of your Local Advertising Expenditure that you must spend on promoting the “The Original Hot Chicken” brand versus any one or more Digital Brands.

Maximum Advertising Expenditure. The maximum combined Brand Fund Contribution and Local Advertising Expenditure that we impose will not exceed 5% of your Restaurant’s Gross Sales (the “Maximum Advertising Expenditure”). We may change the amount of the Brand Fund Contribution or Local Advertising Expenditure with 60 days prior notice to you so long as any change does not result in a combined Brand Fund Contribution and Local Advertising Expenditure greater than the Maximum Advertising Expenditure.

Franchise System Website. We may establish, acquire, or host any website(s) to advertise, market, and promote Restaurants, the products and services that they offer and sell, and/or a Restaurant franchise opportunity (a “Franchise System Website”). We may (but are not required to) provide you with a webpage on a Franchise System Website that references your Restaurant. If we provide you with a webpage on a Franchise System Website, you must: (i) provide us the information and materials we request to develop, update, and modify your webpage; (ii) notify us whenever any information on your webpage is not accurate; and (iii) if we give you the right to modify your webpage, notify us whenever you change the content of your webpage. We will own all intellectual property and other rights in all Franchise System Websites, including your webpage and all information it contains (including the domain name, any associated email address, any website analytical data, and any personal or business data that visitors supply).

Even if we provide you a webpage on a Franchise System Website, we will only maintain that webpage while you are in full compliance with your Franchise Agreement and all Brand Standards we

implement. If you are in default of any obligation under your Franchise Agreement or our Brand Standards, then we may temporarily remove your webpage from any Franchise System Website until you fully cure the default. We will permanently remove your webpage from all Franchise System Websites when your Franchise Agreement expires or is terminated. We may require you to provide notice of any Franchise System Website in the advertising, marketing, and promotional materials that you develop for your Restaurant in the manner we designate.

We may require you to obtain from us and use an email address associated with our registered domain name. If we require you to obtain and use such an email address, you must do so according to our then-current Brand Standards. We may charge you a fee for each email address we provide you as part of the Technology Fee (currently, \$250 per month).

Except as provided above, or as approved by us in writing or in the Brand Standards Manual, you may not develop, maintain or authorize any Online Presence that mentions your Restaurant, links to any Franchise System Website or displays any of the Marks, or engage in any promotional or similar activities, whether directly or indirectly, through any Online Presence. If we approve the use of any such Online Presence in the operation of your Restaurant, you will develop and maintain such Online Presence only in accordance with our guidelines, including our guidelines for posting any messages or commentary on other third-party websites. We will own the rights to each such Online Presence. At our request, you must grant us independent access to each such Online Presence, and to take whatever action (including signing assignment or other documents) we request to evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence.

Unless otherwise approved by us, we also have the sole and exclusive right to sell the products sold by Restaurants through any Online Presence. Currently, we approve Restaurants to offer and accept food and beverage orders through an Online Presence only if managed and supported by our affiliate, Franklin Junction. You must pay Franklin Junction's then-current fees for all digital ordering and e-commerce services (currently, \$2,000 set-up fee and \$299 per month, per brand).

Local Advertising Cooperative. You are not required to participate in a local or regional advertising cooperative.

Advertising Council. We do not currently maintain an advertising council composed of franchisees to advise us on advertising policies.

Computer System

You must obtain and install the computer hardware, software, point-of-sale and other technology systems that we periodically designate (the "Computer System"). We may periodically modify the Brand Standards for the Computer System, including the designated or approved suppliers for the Computer System, and you must update your Computer System to comply with our modified Brand Standards promptly after you receive notice. There are no contractual limitations on the frequency and cost of this obligation and we need not reimburse you for these costs.

Currently, the Computer System is comprised of point-of-sale software, point-of-sale terminals, and point-of-sale server, a cash drawer, printers, four point-of-sale operator tablets, three standup kiosks, digital menu boards, a managed switch, kitchen monitor tablet, mounting equipment, remote printers, magnetic swipe-card, pin or chip readers, DSL or other high speed connections, firewall, office printer/scanner, related cabling, a hosting and maintenance contract, and other related items. Currently,

we estimate the cost of acquiring and installing the Computer System will be approximately \$12,000 to \$25,000. We have no contractual obligation to provide ongoing maintenance, repairs, upgrades or updates for the Computer System. Currently, we estimate the ongoing cost of maintaining and upgrading the Computer System will be approximately \$1,000 to \$2,500 per year.

We may require you to pay a Technology Fee to us or a service-provider we designate (which may be one of our affiliates) for technology related services, including website or email hosting, help desk support, software or website development, enterprise solutions and other services associated with your Computer System and/or any Franchise System Website. We may modify the amount of your Technology Fee periodically. The Technology Fee is in addition to all direct out-of-pocket costs you must otherwise incur to acquire, maintain, or service your Computer System. You may be required to enter into a written agreement with the provider of any technology services, with terms and conditions we approve or require. If we travel to your Restaurant to provide any technological support and/or installation services, you must also reimburse us for the costs we incur for such site visit, including travel, food and lodging. The amount of your Technology Fee may be determined in part by factors that are unique to your Restaurant (such as the number of email addresses we provide you).

You must use the Computer System to maintain certain sales data, customer information and other information. We will have access to your Computer System, including hardware, software, security, configurations, connectivity, and data access, at all times, and we will have the right to collect and retain from the Computer System any and all data concerning your Restaurant. At our request, you must sign a release with any vendor of your Computer System, providing us with such independent access to the Computer System as we may request. There are no contractual limitations on our access to the Computer System. We may require you to obtain from us and use an email address associated with our registered domain name. If we require you to obtain and use such an email address, you must do so according to our then-current Brand Standards. We will have unrestricted access to all such email accounts, and all document, data, materials, and messages shared from or by such accounts.

You must also obtain certain digital ordering and e-commerce services from our affiliate Franklin Junction for Franklin Junction's then-current fee (currently, \$2,000 set-up fee and \$299 per month, per brand). You may not offer or accept food and beverage orders through any Online Presence, except as managed and supported by Franklin Junction.

Training

Initial Training. Prior to opening the first Restaurant developed by you or your owners or affiliates, we will provide our Initial Training Program to you (or if you are conducting business as an Entity, your Principal Owner) and 2 additional management level employees of your Restaurant (one of which must be your Approved Manager, if applicable) (together, your "Key Personnel"). You may invite additional employees to attend the Initial Training Program if space allows, though we may charge you our then-current training fee for each additional individual (currently, \$300 per person, per day, plus expenses). We may also limit the number of attendees for the Initial Training Program. We are only obligated to provide the Initial Training Program one time. If you wish us to offer the Initial Training Program again in the future for any reason, including because you or your owners or affiliates are developing a second or subsequent Restaurant, and/or any of your owners or Key Personnel were not able to attend the Initial Training Program at the same time, we may charge you our then-current training fee for each individual we agree to train (currently, \$300 per person, per day, plus expenses). We will provide the Initial Training Program at the times and locations we determine, which may include sending our

trainer(s) to your Restaurant to conduct any part of the Initial Training Program. We may vary the Initial Training Program based on the experience and skill level of the individual(s) attending.

The Initial Training Program is not currently offered at fixed intervals or on a fixed schedule. Scheduling of the Initial Training Program is based on your and our availability, training facility availability and the projected opening date for your Restaurant. If any of your Key Personnel fail to successfully complete the Initial Training Program to our satisfaction, then we may require such person(s) to attend additional training at a time and location of our choice, and we will charge you our then-current training fee for such additional training (currently, \$300 per person per day, plus expenses). If your Key Personnel are unable to successfully complete the Initial Training Program to our satisfaction, we also may terminate your Franchise Agreement.

If you appoint a new Approved Manager to supervise your Restaurant at any time, or your Principal Owner changes at any time, he or she must attend the then-current Initial Training Program within 30 days of the appointment and you must pay our then-current training fee for such attendance (currently, \$300 per person per day, plus expenses). You are responsible for providing a training program, designated by us, for all your employees who have not attended the Initial Training Program. All employees must satisfactorily pass a training program that meets our minimum criteria prior to providing services at your Restaurant.

If you and your Key Personnel complete the Initial Training Program to our satisfaction and have not expressly informed us at the end of the Initial Training Program that you or they do not feel sufficiently trained in the operation of a Restaurant, then you and your Key Personnel will be deemed to have been trained sufficiently to operate a Restaurant. You may request additional training in the operation of a Restaurant for any of your Key Personnel during the term of your Franchise Agreement. We and you will jointly determine the duration of this additional training, and we may charge you our then-current training fee for such additional training (currently, \$300 per person per day, plus expenses).

As of the date of this Disclosure Document, the Initial Training Program has the following segments:

TRAINING PROGRAM			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Brand Introduction	0.5	0	Atlanta metro area
Customer Service	1	1	Atlanta metro area
Financial Management	2	2	Atlanta metro area
Kitchen Equipment Review	0	1	Atlanta metro area
Marketing & Digital Landscape	2	0	Atlanta metro area
Operating Forms & Controls	0	2	Atlanta metro area
People & Culture	1.5	0	Atlanta metro area
POS Training	2	4	Atlanta metro area
Prep Training & Practice	0	10	Atlanta metro area

TRAINING PROGRAM			
Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Shift Management/Floor Control	0	8	Atlanta metro area
Station Training & Practice	0	10	Atlanta metro area
Initial Training Program & Access	1	0	Atlanta metro area
TOTAL	10	38	

The hours devoted to each subject are estimates and may vary based on how quickly trainees learn the material, their prior experience with the subject, and scheduling. On-the-job training includes cross training in all subject areas of the business. The training materials used during the Initial Training Program will include the Brand Standards Manual and other written manuals and guides we develop from time to time. Currently, Sunny Ashman, our Head of Franchise Development and Training, manages franchisee training for the Franchise System. Ms. Ashman has less than one year of experience with us and our affiliates and over 19 years of experience in restaurant operations. Certain other employees may also provide assistance or services to franchisees in connection with the training programs. We may choose to conduct any or all training virtually, and you must comply with our instructions for all virtual programs.

Digital Brand Training. If you are approved to activate any Digital Brand at your Restaurant, your Key Personnel must also complete all training we then-require for such Digital Brand to our satisfaction (“Digital Brand Training”) prior to activation of such Digital Brand(s). We currently estimate that Digital Brand Training will range from 1 to 3 days per Digital Brand. Other than the Digital Brand Fee described in Item 6, and reimbursement of our expenses for on-site training if applicable, we do not charge any additional fee for our standard Digital Brand Training; however, if you request additional or special training (and we agree to provide it), and/or we determined that your Key Personnel requires additional or special training after completion of our Digital Brand Training, we may charge our then-current training fee (currently, \$300 per person per day, plus expenses) for any additional or special training that we provide. We will provide the Digital Brand Training at the times and locations we determine (currently, we provide the Digital Brand Training at your Restaurant). We may vary the Digital Brand Training based on the experience and skill level of the individual(s) attending. If any of your Key Personnel fail to successfully complete the Digital Brand Training to our satisfaction, we may disapprove you to offer such Digital Brand, and/or revoke any prior approval we have granted for such Digital Brand. If you appoint a new Approved Manager to supervise your Restaurant at any time, or your Principal Owner changes at any time, he or she must attend the then-current Digital Brand Training within 30 days of appointment, in addition to any other training required under the Franchise Agreement, and you must pay our then-current training fee for such attendance (currently, \$300 per person per day, plus expenses).

On-Site Assistance. We will provide on-site advice, guidance, and initial operations support in connection with your opening of your first Restaurant, at no fee to you, for 3 to 5 days before and/or after you open your Restaurant (which may not necessarily be consecutive, and which will be scheduled at our discretion before or after the opening date of your Restaurant). We will determine the identity and composition of the training team that we send in our discretion and may be comprised of

only 1 person. Other than grand opening support, if we provide any portion of the Initial Training Program, Digital Brand Training, or other training of any kind for you or your personnel on-site at your Restaurant for any reason (which we are not obligated to do), we may charge our then current on-site training fee for such training (currently, \$300 per person per day, plus expenses).

Ongoing Training. If we determine that any of your Key Personnel are unable to satisfactorily supervise and fulfill their duties at your Restaurant, we may require such persons to cease providing services at your Restaurant until they complete additional training, and you must pay our then-current training fee for attendance in any training we provide (currently, \$300 per person per day, plus expenses). We may also require you and your Key Personnel and/or certain other employees of your Restaurant to attend various training courses, trade shows, ongoing education or certification programs, and/or webinars at the times and locations designated by us, including courses and programs provided by third-parties we designate. Besides attending these training courses, programs and events, we may additionally require you and/or any of your Key Personnel to attend periodic meetings of franchise owners or managers. We may charge you or your personnel attendance fees for any additional training courses, modules, programs, events and meetings (currently, not imposed). All additional training courses, modules, programs, events and meetings will be held at our discretion and at the locations we designate.

Costs of Training. You will be solely responsible for all travel and living expenses (including, wages, transportation, food, lodging, and workers' compensation insurance) that you and your Key Personnel or any other employee incurs during any and all meetings and/or training courses and programs.

General Guidance: Subject to limitations on scheduling, availability, and similar resources, we may provide you advice from time to time regarding your Restaurant's operation, including advice regarding: (1) standards, specifications, and operating procedures and methods; (2) equipment and facility maintenance; (3) guest service procedures and quality control; and (4) advertising, marketing, and branding strategies. Our advice and guidance will be furnished in the form of our Brand Standards Manual and via telephone, virtually, and/or in-person consultation. If you request, and we agree to provide, additional or special guidance, assistance, or training, we may charge you our then-applicable fee (currently, \$300 per person per day, plus expenses).

ITEM 12 **TERRITORY**

Multi-Unit Operator Agreement – Development Area

You will not receive an exclusive territory under the Multi-Unit Operator Agreement. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or competitive brands that we control. However, during the term of the Multi-Unit Operator Agreement, if we wish to offer a franchise for a traditional "The Original Hot Chicken" branded Restaurant in your Development Area, we will first send you a notice of the proposed franchise development, and upon receiving such notice, you will have a right of first refusal to acquire a franchise for such Restaurant the geographic area designated in your Multi-Unit Operator Agreement (your "Development Area"), we will first send you a notice of the proposed franchise development, and upon receiving such notice, you will have a right of first refusal to acquire a franchise for such Restaurant in your Development Area (your "Right of First Refusal"), provided that: (a) you notify us that you intend to exercise your Right of First Refusal within 14 days after receiving our notice of the proposed development; (b) you and your affiliates have been in full compliance with all agreements with us or our affiliates; (c) you meet all of our then-current criteria for new franchisees of Restaurants, including by having the

financial resources to develop and operate the proposed Restaurant; (d) you sign our then-current franchise agreement for such Restaurant and pay any required fees under such franchise agreement within 14 days after receiving our notice of the proposed development (or any later date that we may notify you is required to comply with applicable law); and (e) we have determined that the cost of developing the proposed Restaurant and payment terms under the franchise agreement for that Restaurant will not adversely affect the operation of your existing Restaurants. If you do not meet the conditions specified above to exercise your Right of First Refusal, we may grant any other person the right to develop that franchised Restaurant in the Development Area on any terms we approve.

Other than your right to exercise your Development Rights within your Development Area, and your Right of First Refusal described above, you have no territorial protection of any kind, and we and our affiliates retain all rights with respect to the placement and development of Restaurants and other businesses using the Marks, the sale of the same, similar or dissimilar products and services, and any other business activities in any manner or in any location whatsoever, including, the right to:

- (1) establish and operate, and grant others the right to establish and operate, other Restaurants using the “The Original Hot Chicken” Marks and Franchise System, at any location, on such terms and conditions we deem appropriate, subject only to your Right of First Refusal;
- (2) establish and operate, and grant others the right to establish and operate, any other type of business under trade names, trademarks, service marks and commercial symbols other than the “The Original Hot Chicken” brand, including the right to conduct any such business in connection with any Digital Brands, at any location, including in your Development Area, and including any restaurant business that may offer products and services which are identical to, similar to, or competitive with products and services offered by Restaurants;
- (3) establish and operate, and grant others the right to establish and operate businesses and distribution channels other than a Restaurant, wherever such businesses or their customers are located, including in your Development Area, and including offering and selling products at retail or wholesale and/or through any Online Presence;
- (4) establish and operate, and grant others the right to establish and operate any business, including any Restaurant or other business using the Marks and/or the Franchise System, at or through any nontraditional venues, including permanent, temporary, or seasonal facilities, ghost kitchen or virtual kitchen models, and/or in any captive or limited markets such as stadiums, entertainment or amusement parks, airports, malls, universities, commercial buildings, hospitals, special events, at any location, including in your Development Area;
- (5) be acquired by or acquire (regardless of the form of transaction), any other business, including businesses that establishes or operates, or grants others the right to establish and operate businesses similar to, the same, or competitive with Restaurants, at any location; and in the event of such an acquisition, the acquirer and its affiliates will have the right to continue to such business, at any location, including in your Development Area; and
- (6) engage in all other activities not expressly prohibited by your Multi-Unit Operator Agreement, at any location.

If you fail to comply with the development schedule specified in your Multi-Unit Operator Agreement, we may terminate your Multi-Unit Operator Agreement, terminate your Right of First Refusal, and/or

reduce the size of your Development Area. Otherwise, continuation of your Right of First Refusal under the Multi-Unit Operator Agreement does not depend on your achieving a certain sales volume, market penetration, or other contingency.

We are not required to pay you if we exercise any of the rights specified in this Item 12.

Your right to develop locations under the Multi-Unit Operator Agreement is limited to the Development Area. You are responsible for identifying proposed sites for all Restaurants you develop under the Multi-Unit Operator Agreement, but we must approve all such sites before you sign a Franchise Agreement for such Restaurant.

Franchise Agreement – Protected Territory

You will not receive an exclusive territory under the Franchise Agreement. You may face competition from other franchisees, from outlets that we own or from other channels of distribution or competitive brands that we control. However, if you are in full compliance with your Franchise Agreement and all other agreements with us and our affiliates, neither we nor any of our affiliates will establish or operate or authorize any other person to establish or operate a traditional “The Original Hot Chicken” branded Restaurant in the geographic area designated in your Franchise Agreement as your “Protected Territory.” If a Protected Territory is not designated in your Franchise Agreement, you have not been awarded any Protected Territory. If we identify a site selection area in your Franchise Agreement, that area is strictly to limit your site selection activities. You will receive no territorial protection of any kind in the site selection area, or any other area, other than your Protected Territory.

The designation of the Protected Territory by us depends on various market conditions around the proposed Premises, including density of population, number of competitors in the market, site availability, growth potential and geographic barriers. We typically define the boundaries of your Protected Territory as a circle with your Restaurant as its center and a specific radius approximately 1 to 3 miles long. We may also define the boundaries of your Protected Territory by political subdivisions (e.g., cities or counties), streets and highways, zip code boundaries, or other similar designations. If you are acquiring a franchise for a newly developed Restaurant, and we have not specified your Protected Territory at the time you execute your Franchise Agreement, we will determine your Protected Territory, in our discretion, at the time your Premises is approved.

Other than your Protected Territory, if any, you have no territorial protection and we and our affiliates retain all rights with respect to the placement of Restaurants and other businesses using the Marks, the sale of the same, similar or dissimilar products and services, and any other business activities in any manner or in any location whatsoever, including, the right to:

- (1) establish and operate, and grant others the right to establish and operate, other Restaurants using the “The Original Hot Chicken” Marks and Franchise System, at any location outside the Protected Territory, on such terms and conditions we deem appropriate;
- (2) establish and operate, and grant others the right to establish and operate, any other type of business under trade names, trademarks, service marks and commercial symbols other than the “The Original Hot Chicken” brand, including the right to conduct any such business in connection with any Digital Brands, at any location, including in your Protected Territory, and including any restaurant business that may offer products and services which are identical to, similar to, or competitive with products and services offered by Restaurants;

- (3) establish and operate, and grant others the right to establish and operate businesses and distribution channels other than a Restaurant, wherever such businesses or their customers are located, including in your Protected Territory, and including offering and selling products at retail or wholesale and/or through any Online Presence;
- (4) establish and operate, and grant others the right to establish and operate any business, including any Restaurant or other business using the Marks and/or the Franchise System, at or through any nontraditional venues, including permanent, temporary, or seasonal facilities, ghost kitchen or virtual kitchen models, and/or in any captive or limited markets such as stadiums, entertainment or amusement parks, airports, malls, universities, commercial buildings, hospitals, special events, at any location, including in your Protected Territory;
- (5) license or otherwise grant the right to offer and sell certain products offered by Restaurants to third-party individuals or entities that sell products or services that are similar to, the same, or competitive with, those that Restaurants customarily sell, including other restaurant, food service, or commercial kitchen operations, in any location, including in your Protected Territory, provided such operators do not offer such products or services as a branded a “The Original Hot Chicken” restaurant;
- (6) be acquired by or acquire (regardless of the form of transaction), any other business, including businesses that establishes or operates, or grants others the right to establish and operate businesses similar to, the same, or competitive with Restaurants, at any location; and in the event of such an acquisition, the acquirer and its affiliates will have the right to continue to such business, at any location, including in your Protected Territory; and
- (7) engage in all other activities not expressly prohibited by your Franchise Agreement, at any location.

Regardless of whether you offer one or more Digital Brands, there will be no territorial protection of any kind for you associated with such Digital Brand(s), or any limitation of any kind on any activity that we establish or conduct, or grant any other person the right to establish or conduct, for Digital Brands in any location, including in your Protected Territory.

We are not required to pay you if we exercise any of the rights specified in this Item 12.

There are no limitations on your ability to solicit customers in any location. However, you may not engage in any promotional or similar activities, and/or sell any products or services, whether directly or indirectly, via the internet or other Online Presence without our approval.

You may only operate your Restaurant at the Premises. You may not relocate your Restaurant to a location other than the Premises without our approval.

Additional Franchise Rights

Unless you have signed a Multi-Unit Operator Agreement to develop additional Restaurants under the terms and conditions contained in that Multi-Unit Operator Agreement, we do not grant any rights to

obtain additional franchises. If you wish to obtain an additional franchise location, you must enter into a separate Franchise Agreement for that location.

Affiliated Brands

Our affiliate Frisch’s Franchising, LLC offers franchises for “Frisch’s Big Boy” restaurants, which may offer some food products and services that are similar those offered by Restaurants, and/or which may be competitive with Restaurants. Additionally, although our affiliates ATP Franchising, LLC and TPP Franchising LLC are not restaurant brands, they offer franchises for recreational facilities, which may have certain food and beverage offerings that are similar to those offered by Restaurants (including chicken tenders or beverages). These affiliated entities may operate, or solicit or accept orders, within your Protected Territory or Development Area, as applicable. If a conflict should arise between any Restaurant and any other business operated or franchised by an affiliate of ours, we will analyze the conflict and take any action (or no action) as we deem appropriate. The principal business address of Frisch’s Franchising, LLC, ATP Franchising, LLC, and TPP Franchising, LLC are in Item 1. Each currently operate from separate corporate offices and training facilities from us.


ITEM 13 **TRADEMARKS**

We will grant you the non-exclusive right and obligation to use the Marks exclusively to operate your Restaurant. You must use the Marks as we require for your Restaurant. You must faithfully, honestly, and diligently promote the Marks in connection with operating your Restaurant. You must identify yourself as the independent owner of your Restaurant in the manner we prescribe. You have no right to sublicense or assign your right to use the Marks. You may not use any other trademarks, service marks or commercial symbols to identify or operate your Restaurant. You may not use any Mark (1) as part of any corporate or legal business name; (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you); (3) in selling any unauthorized services or products; (4) as part of any website, domain name, email address, social media account, other online presence or presence on any electronic medium of any kind (“Online Presence”) without our approval; (5) in advertising any prospective transfer that would require our approval under the Franchise Agreement; or (6) in any other manner that we have not expressly authorized in writing.

The Marks may evolve over time, including after you sign the Franchise Agreement, as we evaluate the best way to promote the Franchise System. If we decide to modify, add, or discontinue the use of any Marks for the Franchise System, we may at any time require you to modify or discontinue using any mark and/or use one or more additional or substitute Marks. You must replace the Marks at your Restaurants with the modified, additional or substitute Marks we specify and comply with all other directions we give regarding the Marks at your Restaurant within a reasonable time after receiving notice from us. We are not required to reimburse you for any costs or expenses associated with making such changes, for any loss of revenue due to any modified or discontinued Mark, or for your expenses promoting a modified or substitute Mark. All rights in and goodwill from the use of the Marks accrue to us and our affiliates, as applicable, and not you.

The following table sets forth the list of our principal Marks and the status of applications filed (if any) with the U.S. Patent and Trademark Office for the Principal Register to protect the principal Marks.

Mark	App. Number	Filing Date
THE ORIGINAL HOT CHICKEN	97674794	11/12/2022

Mark	App. Number	Filing Date
	97674801	11/12/2022

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

The Marks above are limited to the principal trademarks of the “The Original Hot Chicken” brand. If you are approved to offer any Digital Brands, you will be required to use additional or alternative trademarks, service marks, logos, and other commercial symbols to identify those Digital Brands. In this Disclosure Document, all references to the “Marks” will mean the trademarks, service marks, logos, and other commercial symbols associated with the “The Original Hot Chicken” brand, and any other Digital Brands that you have activated with our approval at your Restaurant, as applicable.

We license the Marks from TOHC IP LLC under an Intellectual Property License Agreement dated April 28, 2023 (the “License Agreement”). The term of the License Agreement will continue for a term of 99 years unless sooner terminated as provided in the License Agreement. The License Agreement may be terminated by mutual agreement of the parties, or by TOHC IP LLC if we default on any obligations, or cease to be an affiliate of TOHC IP LLC. The termination of the License Agreement will impact only our ability to use the Marks to grant new franchises going forward, but you and our other existing franchisees will not be affected in the event the License Agreement terminates or expires during the term of your franchise. Except as described above, no agreement significantly limits our rights to use or sublicense the Marks in a manner material to the franchise.

All required affidavits of use will have been filed in a timely manner. There is presently no effective determination of the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, nor any pending infringement, opposition or cancellation proceeding or any pending material litigation involving our principal Marks.

We know of no superior rights or infringing uses that could materially affect your use of the Marks in any state. You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person’s claim of any rights in any Mark, and you may not communicate with any person other than us and our and our affiliates’ attorneys, regarding any infringement, challenge or claim. We and/or our affiliates may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding from the infringement, challenge or claim or otherwise concerning any Mark. You must sign the documents and take the actions that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in the Marks. We will reimburse you for your reasonable costs of taking any action that we have asked you to take, if you have timely notified us of the proceeding, and complied with our directions in responding to it.

You must not contest, or assist any other person in contesting, the validity of our and our affiliates’ ownership of the Marks. Your use of the Marks and any goodwill established by that use are exclusively for our and TOHC IP LLC’s benefit.

Under the Franchise Agreement, we must indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding in which your use of any Mark in compliance with the Franchise Agreement is held to constitute trademark infringement, and for all reasonable costs you incur in the defense of any claim brought against you or in any proceeding in which you are named as a party, only if you have timely notified us of the claim or proceeding and comply with our directions in responding to the proceeding, up to the amount of the initial franchise fee that you paid us. At our option, we and/or TOHC IP LLC may defend and control the defense of any proceeding from your use of any Mark under the Franchise Agreement.

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

We do not own any patents that are material to the franchise. We have not filed any patent applications that are material to the franchise.

We and/or our affiliates claim copyrights in the Brand Standards Manual, all Franchise System Websites, any or all of the design elements contained within the Marks, and other advertising or marketing materials used in operating the Restaurants and the Franchise System. We have not registered these copyrights with the United States Copyright Office. There currently are no effective adverse determinations of the United States Copyright Office or any court regarding these copyrighted materials. No agreement limits our right to use or allow others to use these copyrighted materials, other than the License Agreement with TOHC IP LLC. We know of no infringing uses of our copyrighted materials which could materially affect your use of them. We need not protect or defend our copyrighted materials, although we intend to do so if we determine that it is in the Franchise System's best interests. We may control any action involving the copyrighted materials, even if you voluntarily bring the matter to our attention. We need not participate in your defense nor indemnify you for damages or expenses in a proceeding involving any copyrighted materials.

Our copyrighted materials include information that we and our affiliates deem confidential and proprietary (some of which constitutes trade secrets under applicable law) (the "Confidential Information"), including: (1) training programs and materials; (2) the Brand Standards Manual; (3) market research and marketing strategies, including expansion strategies and targeted demographics; (4) specifications for, suppliers of, and methods of ordering, products and services; (5) any software or technology which is proprietary to us or the Franchise System, including digital passwords and identifications and any source code of, and data and reports generated by the software or similar technology; (6) the operating results and financial performance of Restaurants, including your Restaurant; (7) customer data, such as customer names, addresses, telephone numbers, e-mail addresses, buying habits, preferences, demographic information and related information, and any other information contained from time to time in the Computer System; and (8) any other information designated as confidential or proprietary by us.

You may not use our Confidential Information in an unauthorized manner. You must adopt and implement procedures to prevent unauthorized use or disclosure of Confidential Information, including restricting its disclosure to personnel of your Restaurant and certain other people and using non-disclosure and non-competition agreements with those having access to Confidential Information in a form determined by us. We may regulate the form of agreement that you use and be a third-party beneficiary of that agreement with enforcement rights. All Confidential Information is owned by us and you must only use Confidential Information for the promotion of your Restaurant. You will not

use or sell Confidential Information to any third parties and you will comply with all applicable laws governing the use and protection of Confidential Information.

All ideas, concepts, techniques, or materials relating to a Restaurant created by you, your owners or your employees (or for you, your owners or your employees), whether or not protectable intellectual property, must be promptly disclosed to us and will be our sole and exclusive property, part of the Franchise System, and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, you must assign ownership of that item, and all related rights to that item, to us and agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item.

We have the sole right to all telephone numbers, directory listings, and/or any other type of contact information or directory listing for your Restaurant or that you use in the operation or promotion of your Restaurant (the “Contact Information”). The Contact Information may be used only for your Restaurant in accordance with the Franchise Agreement and our Brand Standards. We reserve the right to notify any telephone company, listing agencies, website hosting company, domain registrar, social network, and any other third-party owning or controlling any Contact Information, if any information relating to your Restaurant is inaccurate or violates our Brand Standards, and request that they modify such Contact Information, and/or remove such Contact Information until it can be corrected.

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

If you are an Entity, you must identify one of your owners who is a natural person with at least a 10% ownership interest and voting power in you (you “Principal Owner”). We must approve the person that will be your Principal Owner. The Principal Owner must be authorized to deal with us on your behalf for all matters that may arise with respect to your Restaurant and/or your Franchise Agreement. Any decision made by the Principal Owner will be final and binding on you and we will be entitled to rely solely on the decision of the Principal Owner without discussing the matter with any other party. We will not be held liable for any actions based on any decisions or actions of the Principal Owner.

You (or if you are conducting business as an Entity, your Principal Owner) must supervise the management and day-to-day operations of your Restaurant on a full-time basis and continuously exert best efforts to promote and enhance your Restaurant and the goodwill associated with the Marks. If you do not (or if you are conducting business as an Entity, your Principal Owner does not) wish to supervise the day-to-day operation of your Restaurant, then you must obtain our approval of any management level employee and/or other person, agent, or management company that you wish to engage to supervise the management of your Restaurant (your “Approved Manager”). We may establish conditions for approving any such Approved Manager, which may include the completion of training, confirmation that it will have no competitive business activities, and/or execution of a non-disclosure agreement or other covenants we require. During any period in which no Approved Manager is approved (including because the Approved Manager resigns or otherwise indicates to us or you that he or she wishes to cease acting as your Approved Manager, or we disapprove of your Approved Manager for any reason), you (or if you are conducting business as an Entity, your Principal Owner) must supervise the day-to-day operations of your Restaurant. Your Restaurant must always be under the direct on-site supervision of one or more persons whom we have approved. We do not currently require that your Approved Manager own any equity interest in your Restaurant.

If you are an Entity, your direct and indirect owners must personally guarantee your obligations under the Franchise Agreement and Multi-Unit Operator Agreement, as applicable, and must agree to be bound personally by every contractual provision, including all obligations to pay us money, and all covenants not to compete, not to disparage, and to protect confidential information. This Guaranty and Assumption of Obligations is attached as Exhibit B to the Franchise Agreement and Exhibit C to the Multi-Unit Operator Agreement, as applicable. In addition, if these owners are married, their spouse may have to consent in writing to the Guaranty and Assumption of Obligations.

We may require that any employee, agent or independent contractor that you hire and that will have access to Confidential Information to execute a non-disclosure and non-competition agreement we approve to protect the Confidential Information. We may regulate the form of non-disclosure agreement that you use and to be a third-party beneficiary of those agreements with independent enforcement rights.

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

You must offer and sell at your Restaurant the products and services that we periodically specify. You will offer and sell the approved products and services in the manner we have prescribed, including that we may require you to offer and sell products and services through any Online Presence or other alternative channel of distribution we specify. You may not offer or sell any products or services we have not approved, through any channels of distribution we have not approved, from or to any location we have not approved, and/or otherwise not in accordance with any Brand Standards we have established. . If we at any time disapprove a product or service, or revoke your right to offer or sell such product or service for any reason, you must immediately discontinue selling and offering such product(s) or service(s) as we specify. We may require you to you to offer and provide delivery, catering and/or other off-site services, and/or act as a ghost kitchen or virtual kitchen for one or more Digital Brands. We may limit the geographic area in which you may offer any such services, and we may modify that geographic area from time to time (and such geographic area may be different from your Protected Territory). If we specify a geographic area in which you may offer and provide any such services, you may not to offer or provide such services outside of that area.

We may periodically offer you the right to fulfill virtual or digital orders at your Restaurant for one or more Digital Brands that we approve. You must obtain our prior written approval before activating or offering any Digital Brands at your Restaurant. We may condition our approval of any Digital Brand on our then-current criteria, which we may modify periodically, and which may include your compliance with agreements with us, your business experience, the market factors in your area, the specifications of your Premises, and any other factors we deem appropriate. If we approve you to offer a Digital Brand, you must do so strictly in accordance with your Franchise Agreement, the terms of our then-current Digital Brand Rider, and our Brand Standards. The terms of your Franchise Agreement will in all respects apply to your offer and sale of products or services associated with the Digital Brands and any and all other operations of the Digital Brands. We also reserve the right to make one or more Digital Brands mandatory in the future, though we do not currently do so. Unless we have made any Digital Brand mandatory, you may deactivate any Digital Brand at any time with notice to us. We also have the right to deactivate, disapprove, or suspend any Digital Brand at your Restaurant at any time and for any reason, and you must immediately cease offering and selling such Digital Brand upon notice from us. If any Digital Brand is deactivated or disapproved, for any reason, you must

comply with our Brand Standards for winding-down, including specifications for disposing of or otherwise handling any proprietary inventory.

Unless prohibited by applicable law, we may periodically set a maximum or minimum price that you may charge for products and services offered by your Restaurant. If we impose such a maximum or minimum price for any product or service, you must ensure that customer pricing at your Restaurant complies with such minimum and maximum pricing standards. The designated maximum and minimum prices for the same product or service may, at our option, be the same. For any product or service for which we do not impose a maximum or minimum price, we may require you to comply with an advertising policy adopted by us which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. Although you must comply with any advertising policy we adopt, you will not be prohibited from selling any product or service at a price above or below the suggested retail price unless we impose a maximum price or minimum price for such product or service.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement, Multi-Unit Operator Agreement, 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 1B in Franchise Agreement	Term of the Franchise Agreement is 10 years.
	Section 1B in Multi-Unit Operator Agreement	Term of the Multi-Unit Operator Agreement ends on the earlier of (1) the date on which the last Restaurant which is required to be opened to satisfy the development schedule opens for regular business, or (2) the last day of the last development period.
(b) Renewal or extension of the term	Section 14 in Franchise Agreement	If you satisfy all the conditions specified below, you may acquire one successive franchise of 10 years.
	Multi-Unit Operator Agreement	Not applicable.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(c) Requirements for franchisee to renew or extend	Section 14 in Franchise Agreement Multi-Unit Operator Agreement	To obtain a successor franchise, you must: (i) give us notice no less than 180 days before expiration (but not more than 540 days before); (ii) have substantially complied with the Franchise Agreement and Brand Standards during the term, (iii) maintain possession of and agree to remodel and/or expand your Restaurant, add or replace improvements or Operating Assets, and otherwise modify your Restaurant, or secure and develop a new premises we approve, (iv) sign our then-current Franchise Agreement, which may materially differ from your current Franchise Agreement, (v) you and your owners sign (if state law allows) general releases, (vi) you pay a renewal fee, and (vii) we offer franchises in your geographic market at the time of your notice. Not applicable.
(d) Termination by franchisee	Section 15A in Franchise Agreement; Section 7A in Multi-Unit Operator Agreement	You may terminate the Franchise Agreement or Multi-Unit Operator Agreement if you are in full compliance with the applicable agreement and we materially breach the agreement and do not cure the default within 30 days after notice from you, or, if we cannot correct the failure within 30 days, we fail to give you reasonable evidence of our effort to correct the failure within 30 days after your notice (subject to state law).
(e) Termination by franchisor without cause	None	We may not terminate the Franchise Agreement or Multi-Unit Operator Agreement without cause.
(f) Termination by franchisor with cause	Section 15B in Franchise Agreement; Section 7B in Multi-Unit Operator Agreement	We may terminate the Franchise Agreement and/or Multi-Unit Operator Agreement if you or your owners commit one of several violations, as described below.
(g) “Cause” defined — curable defaults	Section 15B in Franchise Agreement	Curable defaults under the Franchise Agreement: (i) 10 days to pay past due amounts owed to us, (ii) applicable cure period to pay past due amounts owed third-parties, (iii) 24 hours to cure health and safety violations, (iv) 10 days to cure any insurance requirements; (v) 30 days to cure an attachment, seizure, warrant, writ, or levy on your Restaurant, or any order appointing a receiver, trustee, or liquidator on a substantial part of your property; and (vi) 30 days to cure a breach of any other provision or obligation under the Franchise Agreement, or applicable cure period (if any) under any

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(l) Franchisor approval of transfer by franchisee	Sections 13B in Franchise Agreement; Section 6B in Multi-Unit Operator Agreement	You may not conduct any transfer or attempt to conduct any transfer without our prior written approval.
(m) Conditions for franchisor approval of transfer	Sections 13B and 13C in Franchise Agreement; Section 6B and 6C in Multi-Unit Operator Agreement	We will not approve a transfer unless you: (i) you submit an application for the transfer, and provide all information we request about transfer, transferee, and transferee owners, and each satisfy our requirements; (ii) you provide us executed versions of all agreements with the transferee; (iii) you execute all transfer documents we require, including a general release of claims against us and our affiliates, (iv) you and your owners have not violated any provision of your agreements with us during the prior 60-day period (including payment of monetary obligations); (v) the transferee and its managers complete the Initial Training Program; (vi) all necessary actions under the Lease are completed; (vii) transferee signs our then-current Franchise Agreement and/or Multi-Unit Operator Agreement and other documents, provisions of which may differ materially from those contained in the agreement you signed; (ix) the transferee or its owners sign our then-current form of personal guaranty, (x) you pay a transfer fee (other than upon death or transfer to 100% owned Entity, which requires only reimbursement of our costs); (xi) transferee financing is subordinate to your obligations to us; (xii) you correct existing deficiencies in your Restaurant(s) (as applicable) of which we notify you and/or the transferee agrees to upgrade or remodel your Restaurant for which we may require transferee to escrow an amount we approve for the payment of this upgrade or remodel; and (xiii) you provide evidence that all other appropriate measures have been taken to transfer operations of your business and Restaurant(s) to transferee.
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 13D in Franchise Agreement; Section 6D in Multi-Unit Operator Agreement	We have a 30-day right of first refusal to match offers (and an additional 60 days to close on the transaction).
(o) Franchisor's option to purchase franchisee's business	Section 16E in Franchise Agreement	We may purchase your Restaurant at fair market value upon the termination or expiration of the Franchise Agreement. We may exercise this right by giving you written notice of our election within 30 days after the termination or expiration.

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
	Multi-Unit Operator Agreement	Not applicable.
(p) Death or disability of franchisee	Section 13E in Franchise Agreement; Section 6E in Multi-Unit Operator Agreement	Upon death or disability of you (or any of your owners), such person's executor, administrator, conservator, guardian, or other personal representative must transfer the ownership interest to an individual we have approved within 9 months of the date of death or disability. We may assume your Restaurant's management or appoint an interim manager to operate your Restaurant.
(q) Non-competition covenants during the term of the franchise	Section 12A in Franchise Agreement; Section 5A in Multi-Unit Operator Agreement	<p>Neither you nor your direct or indirect owners may have an ownership interest in or perform services for a Competitive Business located anywhere. "Competitive Business" means any business (excluding any other Restaurants you operate) operating, or granting franchises or licenses to others to operate, a restaurant or other food business deriving more than 15% of its revenue from the sale of: (i) chicken menu items or recipes, including chicken tenders, sandwiches, nuggets, or other chicken menu items or products; and/or (ii) any other products or services substantially similar to those products and services offered at your Restaurant.</p> <p>Additionally, for the duration of the time you offer any Digital Brand (including any period of time when such Digital Brand may have been temporarily suspended, up to 120 days), and thereafter for a period equal to the shorter of: (i) the same length of time you offered such Digital Brand (including any period of time when such Digital Brand may have been temporarily suspended, up to 120 days); or (ii) two (2) years from the date such Digital Brand was permanently deactivated, the definition of Competitive Business in the Franchise Agreement will include any business (excluding any other Restaurants you operate) operating, or granting franchises or licenses to others to operate, a restaurant or other food business deriving more than 15% of its revenue from the sale of any products or services substantially similar to those offered in connection with such Digital Brand.</p>
(r) Non-competition covenants after the franchise is terminated or expires	Sections 16F in Franchise Agreement	<p>Neither you nor your direct or indirect owners may have an ownership interest in or perform services for a Competitive Business located or operating at the Premises, within a 15-mile radius of the Premises, or within a 10-mile radius of any other Restaurant for 2 years after termination or expiration of your agreements with us (or after transfers, for the transferor).</p> <p>Additionally, for a period equal to the shorter of: (i) the same length of time you offered any Digital Brand (including any period of time when such Digital Brand may have been temporarily suspended, up to 120 days); or (ii) two (2) years from the date such</p>

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
	Section 8B in Multi-Unit Operator Agreement	<p>Digital Brand was permanently deactivated, the definition of Competitive Business in the Franchise Agreement will include any business (excluding any other Restaurants you operate) operating, or granting franchises or licenses to others to operate, a restaurant or other food business deriving more than 15% of its revenue from the sale of any products or services substantially similar to those offered in connection with such Digital Brand.</p> <p>Neither you nor your direct or indirect owners may have an ownership interest in or perform services for a Competitive Business located or operating within the Development Area, or within a 10-mile radius of any other Restaurant for 2 years after termination or expiration (or after transfers, for the transferor).</p>
(s) Modification of the agreement	Section 18I in Franchise Agreement; Section 10I in Multi-Unit Operator Agreement	No modification unless by written agreement of both parties, but Brand Standards Manual and Brand Standards, and certain fees, are subject to change at any time.
(t) Integration/merger clause	Section 18N in Franchise Agreement; Section 10M in Multi-Unit Operator Agreement	Only the written terms of the Franchise Agreement, Multi-Unit Operator Agreement, and other related written agreements are binding (subject to state law). However, nothing in the Franchise Agreement or Multi-Unit Operator Agreement is intended to disclaim the representations we made in the Disclosure Document that we furnished to you.
(u) Dispute resolution by arbitration or mediation	Sections 18A and 18B in Franchise Agreement; Sections 10A and 10B in Multi-Unit Operator Agreement	Either of us may initiate a mediation proceeding by notifying the other in writing. Regardless of who initiates the mediation, the mediation will be conducted at a location in or within 50 miles of our then-principal place of business (currently, Atlanta, Georgia) (subject to state law, if applicable) unless we agree upon a mutually acceptable alternative location. Regardless of whether mediation has been initiated, all disputes between us must be submitted for binding arbitration to the American Arbitration Association on demand of either party. We and you must arbitrate all disputes at a location in or within 50 miles of our then-principal place of business (currently, Atlanta, Georgia) (subject to state law, if applicable).
(v) Choice of forum	Section 18C in Franchise Agreement; Section 10D in Multi-Unit Operator Agreement	You must sue us in the state or federal court closest to our then-current principal place of business (currently, Atlanta, Georgia) (subject to state law, if applicable).

PROVISION	SECTION IN FRANCHISE AGREEMENT	SUMMARY
(w) Choice of law	Section 18D in Franchise Agreement; Section 10C in Multi-Unit Operator Agreement	Except for the Federal Arbitration Act and other federal law, the law of the State of Delaware governs (subject to state law).

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the franchise system.

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.

Methodology

The data in the tables below is from our two Company Restaurants. Our first Company Restaurant has been in operation for approximately 47 weeks (“Woodstock”). Our second Company Restaurant has been in operation for approximately 18 weeks (“Sandy Springs”). There are currently no franchised Restaurants in operation, and we therefore cannot present any data for franchised Restaurants.

During the first 19 weeks of operation, Woodstock offered only the “The Original Hot Chicken” brand, and then began to offer the “Inked Tacos” brand (which is one of the Digital Brands that is currently an option for franchisees, as described in Item 16). Sandy Springs has offered the “The Original Hot Chicken” brand plus additional brands such as “Inked Taco” since its initial opening. In the data presented below, we have excluded the Gross Sales of Company Restaurants derived from the sale of food and themed-beverages for brands such as “Inked Tacos” because franchisees are not required to offer any additional brands, and may elect not to do so.

Other than the exclusion of revenue from brands other than the “The Original Hot Chicken”, all Gross Sales presented below for Company Restaurants was calculated in the same manner as described in Item 6. “Gross Sales” means the total gross revenue or consideration derived from your sale of products and services and all other income of every kind and nature, directly or indirectly, from operating the Restaurant, including all revenue or consideration derived from delivery, catering or otherwise at or away from the Premises, and whether from cash, check, credit and debit card, exchange, trade credit, or other credit transactions. There was no deduction for uncollected or uncollectible credit accounts or

bad debts, or for discounts or promotional pricing. Gross Sales includes the proceeds of any business interruption insurance or similar insurance. The payments received for online group-bought deals, gift certificates or gift cards was included in Gross Sales in accordance with our then-current guidelines for calculating Gross Sales. Gross Sales did not include the amount of any tax imposed by any federal, state, municipal or governmental authority directly on sales and collected from customers if such tax is added to the selling price and actually paid by you to such governmental authority.

Weekly Gross Sales (location *only* offered TOHC)

The table below shows the average, median, highest, and lowest weekly Gross Sales of each Company Restaurant during the time period when it offered solely “The Original Hot Chicken”. Sandy Springs does not have any time period where it offered solely “The Original Hot Chicken”.

Weekly TOHC Gross Sales						
	Weeks After Opening	Average	Median	High	Low	# weeks above Avg
Woodstock	1 to 19	\$27,091.88	\$29,016.55	\$41,693.55	\$3,962.50	12
Sandy Springs	N/A	N/A	N/A	N/A	N/A	N/A

Weekly Gross Sales (location offered multiple brands; Gross Sales *only* for TOHC)

The table below shows the average, median, highest, and lowest weekly Gross Sales of each Company Restaurant during the time period when that location offered “The Original Hot Chicken” plus additional brand(s), but is limited strictly to the aggregate Gross Sales derived from the “The Original Hot Chicken” brand. The Gross Sales below expressly excludes any Gross Sales derived from food and themed-beverages associated with additional brands such as “Inked Tacos”.

Weekly TOHC Gross Sales						
	Weeks After Opening	Average	Median	High	Low	# weeks above Avg
Woodstock	20 to 47	\$17,736.15	\$17,620.77	\$24,232.10	\$11,638.85	13
Sandy Springs	1 to 18	\$5,970.10	\$6,099.03	\$7,257.03	\$2,974.30	10

Total Gross Sales

The table below shows the total aggregate Gross Sales of each Company Restaurant since opening for business, but is limited strictly to the aggregate Gross Sales derived from the “The Original Hot Chicken” brand. The Gross Sales below expressly excludes any Gross Sales derived from food and themed-beverages associated with additional brands such as “Inked Tacos”.

Total TOHC Gross Sales Since Opening		
	Weeks	Total
Woodstock	1 to 47	\$1,011,358
Sandy Springs	1 to 18	\$107,462

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Sunny Ashman, our Head of Franchise Development and Training, 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339, (404) 499-1960, the Federal Trade Commission, and the appropriate state regulatory agencies. Written substantiation for the financial performance representations above will be made available to you upon reasonable request.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2021 TO 2023

Outlet Type	Year ²	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company Owned or Managed ¹	2021	0	0	0
	2022	0	0	0
	2023	0	1	+1
Total	2021	0	0	0
	2022	0	0	0
	2023	0	1	+1

1. Company owned outlets are operated by our affiliate(s). Each of the Company Restaurants currently offers “The Original Hot Chicken” plus additional brands.
2. The numbers in this table reflect the fiscal year from June 1 and ending May 31 each year.

TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO
NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2021 TO 2023

State	Year ¹	Number of Transfers
All States	2021	0
	2022	0
	2023	0
Totals	2021	0
	2022	0
	2023	0

1. The numbers in this table reflect the fiscal year from June 1 and ending May 31 each year.

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2021 TO 2023

State	Year ¹	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
All States	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0

1. The numbers in this table reflect the fiscal year from June 1 and ending May 31 each year.

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2021 TO 2023

State	Year ²	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Georgia	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
Totals ¹	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1

1. Company owned outlets are operated by our affiliate(s). Each of the Company Restaurants currently offers “The Original Hot Chicken” plus additional brands.
2. The numbers in this table reflect the fiscal year from June 1 and ending May 31 each year.

**TABLE NO. 5
PROJECTED OPENINGS FOR 2024 ¹**

State	Franchise Agreements Signed But Not Opened	Projected New Franchised Openings	Projected New Company-Owned Openings
California	0	0	1
Florida	0	2	0
Georgia	0	1	3
Texas	1	2	0
Totals	1	5	4

1. The numbers in this table are made as of the date of this Disclosure Document. Projected openings reflect our estimates for the time period from June 1, 2023 to May 31, 2024.

Exhibit E-1 contains a list of the names, addresses and telephone numbers of our current franchisees as of May 31, 2023 (our 2023 fiscal year end); and Exhibit E-2 contains a list of the names and last known address and telephone number of each franchisee who had a Franchise Agreement terminated, cancelled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year, or who had not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to buyers when you leave the franchise system.

No franchisee has signed confidentiality agreements during the last 3 fiscal years restricting its ability to speak openly about its experience with our Franchise System; however, incoming franchisees will be bound to the confidentiality requirements contained in their respective Franchise Agreements. In some instances, current and former franchisees that sign confidentiality provisions will be restricted in their ability to speak openly about their experience with the “The Original Hot Chicken” franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We are not aware of any trademark-specific franchisee organizations associated with our system.

ITEM 21
FINANCIAL STATEMENTS

Exhibit D contains our (i) unaudited interim balance sheet as of October 31, 2023, and related statements of profit and loss and cash flow for the period from June 1, 2023 through October 31, 2023; and (ii) audited balance sheet as of May 31, 2023 and the related statements of operations, changes in member’s equity, and cash flow for the year then-ended. We have only been operating since May 2023, and therefore cannot provide all financial statements required by the FTC Rule.

Our fiscal year ends May 31 each year.

ITEM 22
CONTRACTS

The following contracts are attached as exhibits to this Disclosure Document:

- Exhibit B-1 – Franchise Agreement
- Exhibit B-2 – Multi-Unit Operator Agreement
- Exhibit B-3 – Digital Brand Rider
- Exhibit B-4 – Sample General Release
- Exhibit B-5 – Representations Statement
- Exhibit F – State Addenda and Riders

ITEM 23
RECEIPTS

Exhibit G contains detachable documents acknowledging your receipt of this Disclosure Document.

EXHIBIT A

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

CALIFORNIA

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

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013
(213) 576-7505

Sacramento

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

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104
(415) 972-8559

CONNECTICUT

State of Connecticut
Department of Banking
Securities and Business Investments Division
260 Constitution Plaza
Hartford, CT 06103
Phone: (860) 240-8230

GEORGIA

Corporations Division
2 Martin Luther King Jr. Dr., Suite 315
Atlanta, GA 30334-1530
404-656-2817

HAWAII

(state administrator)

Business Registration Division
Securities Compliance Branch
Department of Commerce
and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2722

(agent for service of process)

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

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(state administrator)

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

(agent for service of process)

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

LOUISIANA

State of Louisiana
Secretary of State
8585 Archives Ave
Baton Rouge, LA 70809
225-925-4704

MARYLAND

(state administrator)

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

(agent for service of process)

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

MICHIGAN

(state administrator)

Michigan Attorney General’s Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48909
(517) 373-7177

(agent for service of process)

Michigan Department of Commerce,
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

MINNESOTA

(state administrator)

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

(agent for service of process)

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

NEW YORK

(state administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236 Phone
(212) 416-6042 Fax

(agent for service of process)

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

NORTH CAROLINA

North Carolina Secretary of State
2 South Salisbury Street
Raleigh, North Carolina 27601-2903
(919) 814-5344

NORTH DAKOTA

(state administrator)

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fourteenth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

(agent for service of process)

Securities Commissioner
600 East Boulevard Avenue
State Capitol Fourteenth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Department of Business Services
Division of Finance & Corporate Securities
350 Winter Street, NE, Room 410
Salem, Oregon 97310-3881
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

SOUTH DAKOTA

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

VIRGINIA

(state administrator)

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

(agent for service of process)

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

WASHINGTON

(state administrator)

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

(agent for service of process)

Director
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501

WISCONSIN

(state administrator)

Securities and Franchise Registration
Wisconsin Department of Financial Institutions
4022 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-1064

(agent for service of process)

Office of the Secretary
Wisconsin Department of Financial Institutions
P.O. Box 8861
Madison, Wisconsin 53708-8861
(608) 261-9555

EXHIBIT B-1

FRANCHISE AGREEMENT



THE ORIGINAL HOT CHICKEN
FRANCHISE AGREEMENT

FRANCHISEE

UNIT NO.

RESTAURANT ADDRESS

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “**Agreement**”) is made and entered into by and between **TOHC FRANCHISING LLC**, a Delaware limited liability company, with its principal business address at 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we**,” “**us**,” or “**our**”), and _____, a _____ whose principal business address is _____ (“**you**” or “**your**”) as of the date signed by us on the signature page of this Agreement (the “**Effective Date**”).

1. GRANT OF FRANCHISE.

1A. BACKGROUND

(1) We and our affiliates have developed (and continue to develop and modify) a franchise system to establish, operate and promote distinctive restaurants featuring southern-style hot chicken tenders and sandwiches, chicken and waffles, and other products and services under the name “The Original Hot Chicken” (each a “**Restaurant**”).

(2) We and our affiliates use and promote, and license others to use and promote, certain trademarks, service marks and other commercial symbols in operating Restaurants, which have gained and will continue to gain public acceptance and goodwill, and we and our affiliates may create, use, and license other trademarks, service marks and commercial symbols to identify the Restaurants in the future (collectively, the “**Marks**”).

(3) Restaurants will offer the services and goods we authorize, and use our distinctive business formats, business system, methods, procedures, signs, designs, layouts, standards, specifications, and the Marks, all of which we may improve, substitute, further develop, or otherwise modify from time to time (collectively, the “**Franchise System**”).

(4) We grant franchises to persons who meet our qualifications and are willing to undertake the investment and effort to own and operate a Restaurant, and you have applied and been approved for a franchise to own and operate a Restaurant.

1B. GRANT AND TERM OF FRANCHISE.

Subject to this Agreement’s terms, we grant you a franchise to use the Franchise System and the Marks to operate a Restaurant (“**your Restaurant**”) for a term beginning on the Effective Date and expiring ten (10) years from the Effective Date (the “**Term**”), unless this Agreement is sooner terminated as provided herein. You agree at all times faithfully, honestly, and diligently to perform your obligations under this Agreement and to use your best efforts to promote your Restaurant.

1C. BUSINESS ENTITIES.

If you are a corporation, limited liability company, or general or limited partnership, or other form of legal business entity (collectively, an “**Entity**”), you agree and represent that **Exhibit A** to this Agreement presents complete and accurate information about such Entity as of the Effective Date. You also agree and represent that you are validly existing and in good standing under the laws of the state of your incorporation or formation, and have the authority to execute this Agreement, and perform your obligations under this Agreement. You agree to maintain organizational documents at all times

that state that this Agreement restricts the issuance and transfer of any of your ownership interests, and all certificates and other documents representing your ownership interests will bear a legend referring to this Agreement's restrictions.

You must identify one of your owners on **Exhibit A** who is a natural person with at least a ten percent (10%) ownership interest and voting power in you to act as your “**Principal Owner**” and supervise the day-to-day operation of your Restaurant in accordance with Section 7A. You acknowledge and agree that your Principal Owner is authorized to deal with us on your behalf for all matters whatsoever that may arise with respect to your Restaurant and/or this Agreement. Any decision made by the Principal Owner will be final and binding on you and we will be entitled to rely solely on the decision of the Principal Owner without discussing the matter with any other party. We will not be held liable for any actions based on any decisions or actions of the Principal Owner. You represent and agree that the person acting as your Principal Owner has full power and authority to enter into this Agreement and any other documents to which you are a party, and to make binding decisions on your behalf. The execution and delivery by your Principal Owner of this Agreement has been duly authorized by all requisite corporate action.

Each of your owners and their respective spouses must execute a guaranty in the form we prescribe, agreeing to be personally bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us and/or our affiliates. Our current form of guaranty is attached hereto as **Exhibit B**.

If you are an Entity, your Restaurant will be the only business that such Entity operates, unless we approve you to acquire and operate additional Restaurants pursuant to additional Franchise Agreements between us and you.

1D. PROTECTED TERRITORY.

Subject to our reservation of rights in Section 1E below, and subject to your continued compliance with this Agreement and all other agreements with us and our affiliates, during the Term, neither we nor any of our affiliates will establish or operate or authorize any other person to establish or operate a Restaurant under the “The Original Hot Chicken” brand, if such Restaurant will operate in the area described in **Exhibit C** (the “**Protected Territory**”). If no geographic area is specified on **Exhibit C**, you have not been awarded any Protected Territory, and notwithstanding any other provision of this Agreement to the contrary, we and our affiliates reserve all rights not granted to you and we will not be limited with respect to the placement of Restaurants and other businesses using the Marks, the sale of the same, similar or dissimilar products and services, and any other business activities in any manner or in any location whatsoever. If you have not selected a site for your Restaurant as of the Effective Date, we may define your Protected Territory at the time the Premises is identified and approved by us.

1E. RESERVATION OF TERRITORIAL RIGHTS.

Other than your Protected Territory, if any, you have no territorial protection and we and our affiliates retain all rights with respect to the placement of Restaurants and other businesses using the Marks, the sale of the same, similar or dissimilar products and services, and any other business activities in any manner or in any location whatsoever, including the right to:

(1) establish and operate, and grant others the right to establish and operate, other Restaurants using the “The Original Hot Chicken” Marks and Franchise System, at any location outside the Protected Territory, on such terms and conditions we deem appropriate;

(2) establish and operate, and grant others the right to establish and operate, any other type of business under trade names, trademarks, service marks and commercial symbols other than the “The Original Hot Chicken” brand, including the right to conduct any such business in connection with any Digital Brands, at any location, including in your Protected Territory, and including any restaurant business that may offer products and services which are identical to, similar to, or competitive with products and services offered by Restaurants;

(3) establish and operate, and grant others the right to establish and operate businesses and distribution channels other than a Restaurant, wherever such businesses or their customers are located, including in your Protected Territory, and including offering and selling products at retail or wholesale and/or through any Online Presence;

(4) establish and operate, and grant others the right to establish and operate any business, including any Restaurant or other business using the Marks and/or the Franchise System, at or through any nontraditional venues, including permanent, temporary, or seasonal facilities, ghost kitchen or virtual kitchen models, and/or in any captive or limited markets such as stadiums, entertainment or amusement parks, airports, malls, universities, commercial buildings, hospitals, special events, at any location, including in your Protected Territory;

(5) be acquired by or acquire (regardless of the form of transaction), any other business, including businesses that establishes or operates, or grants others the right to establish and operate businesses similar to, the same, or competitive with Restaurants, at any location; and in the event of such an acquisition, the acquirer and its affiliates will have the right to continue to such business, at any location, including in your Protected Territory; and

(6) engage in all other activities not expressly prohibited by this Agreement, at any location.

2. ACQUIRING YOUR RESTAURANT

2A. SITE SELECTION.

You must operate your Restaurant at a specific address and location that you select and we accept (the “**Premises**”). You must use the Premises only for your Restaurant. You must operate your Restaurant only at the Premises.

If you have already located a site for the Premises as of the Effective Date, and we have approved the location, the specific address and location is identified on **Exhibit C**. If you have not yet located a site for the Premises as of the Effective Date, then you must select a suitable site for your Premises and obtain our acceptance of that site as your Premises. Unless you have our prior written approval to search for a proposed site outside of the site selection area designated on **Exhibit C** (the “**Site Selection Area**”), all site reports that you submit to us must be for a site within your Site Selection Area. You acknowledge and agree that you will receive no territorial protection of any kind in the Site Selection Area, or any other geographic area, other than your Protected Territory. You acknowledge and agree that the Search Area is identified for the sole purpose of facilitating the orderly development

of the market, and not for purposes of granting you any exclusivity or protection within the Site Selection Area. You also acknowledge and agree that we do not guarantee that you will find an approved site within the Site Selection Area, and/or that a site submitted in the Site Selection Area will be approved by us. We have the right to approve the site of your Restaurant before you sign any Lease (as defined in Section 2B). You agree to send us all information we request for the proposed site.

2B. LEASE OF THE SITE

After you obtain our acceptance of a site, you must execute a lease, sublease, or other document that we approve to secure its possession (the “**Lease**”). If you have not yet located a site for the Premises as of the Effective Date, then after you secure possession of the site of the Premises we have approved, we will insert its address on **Exhibit C**.

The Lease must contain certain provisions we require, including collateral assignment of lease, pursuant to the form of lease rider attached as **Exhibit D** (“**Lease Rider**”). It is your sole responsibility to obtain a fully-executed Lease Rider in connection with executing your Lease. Our approval of your Lease is subject to our receipt of the Lease Rider in the form attached as **Exhibit D**, without modification or negotiation, executed by you and the landlord. The Lease Rider is intended to provide us certain protections under your Lease, and may not benefit you or the landlord. We may reject any request for modifications to the Lease Rider for any reason.

You acknowledge and agree that you have the sole responsibility to negotiate and execute your Lease. If we or our affiliates provide you a form of Lease to execute, or any information, recommendations, or assistance in negotiating or executing a Lease, it is not a representation by us or our affiliates of any kind (express, implied, or collateral) that you should sign that Lease or that the terms of that Lease are favorable to you. You are solely responsible for ensuring that you are capable of meeting all terms and conditions set forth in your Lease, including the financial provisions applicable to rent and fees. You must deliver to us a fully executed copy of your Lease and Lease Rider within 10 days after its execution.

You must satisfy all of the obligations under Section 2A and this Section 2B to obtain our acceptance of a site that will be the Premises of your Restaurant and secure possession of that site pursuant to the terms of a Lease we have approved, and deliver executed copies of that approved Lease and the Lease Rider, each within 120 days after the Effective Date.

2C. DEVELOPMENT OF YOUR RESTAURANT.

You are solely responsible, at your expense, for developing your Restaurant in accordance with our Brand Standards and all applicable federal, state, or local laws, codes, or regulations, including rules governing public accommodations for persons with disabilities and other applicable ordinances, building codes, permit and zoning requirements, and the terms of your Lease. You agree to use the vendor(s) we approve or designate for design, engineering, construction management and purchasing services in connection with the development of your Restaurant.

We will provide you with Brand Standards for your Restaurant, including requirements for dimensions, design, color scheme, image, interior layout, decor, and Operating Assets which include fixtures, equipment, signs, and furnishings. We may also require you to obtain layout plans and/or schematics for your Restaurant from a designated or approved vendor, which may be us or our affiliates, and you must pay the then-current fees charged by such vendor. If you do not obtain layout

plans and/or schematics from us or our designated vendor, you must hire an architect that meets our Brand Standards to prepare all required plans and/or schematics for your Restaurant. Regardless of who prepares the layout plans and/or schematics for your Restaurant, you shall be solely responsible for ensuring that all plans and schematics for your Restaurant comply with applicable laws, regulations, zoning, ordinances, building codes, permits, lease requirements and restrictions, and our Brand Standards. You are also exclusively responsible for obtaining approval of all such plans and schematics from any applicable governmental authority.

You must notify us immediately of any changes, additions or deletions to the plans and schematics for your Restaurant that are requested or required by any local building authority, your landlord, and/or that you determine are required under applicable federal, state, or local laws, codes, or regulations, building codes, pr permit and zoning requirements. We reserve the right to accept or not accept such changes even if our objection results in your inability to construct the Restaurant.

2D. OPENING OF YOUR RESTAURANT.

You must satisfy all of our Brand Standards for developing and opening a Restaurant, and open your Restaurant for business, no later than the earlier of: (a) the first anniversary of the Effective Date, or (b) 180 days after you execute your Lease. We must approve the date that you open your Restaurant for business (the “**Opening Date**”). We may condition our approval on your satisfaction of all of our Brand Standards and other criteria for developing and operating a Restaurant, including that you must:

- (1) obtain all required zoning changes, planning consents, building, utility, sign and business permits and licenses, and any other consents, permits and licenses necessary to lawfully open and operate your Restaurant;
- (2) construct all required improvements in compliance with plans and schematics prepared or approved by us;
- (3) deliver a signed Lease Rider and Pre-Authorized Debit Agreement, and any and all other documents or instruments required by this Agreement;
- (4) deliver to us certificates of insurance demonstrating that you have obtained insurance coverage that satisfies our Brand Standards, with such endorsements and policy terms that we then require;
- (5) purchase and install all Operating Assets and decorate your Restaurant, in all respects in compliance with Brand Standards;
- (6) pay any and all amounts owed to us or our affiliates; and
- (7) obtain all customary contractors’ sworn statements and partial and final waivers of lien for construction, remodeling, decorating and installation services.

3. YOUR FEES TO US.

3A. INITIAL FRANCHISE FEE.

You agree to pay us a nonrecurring initial franchise fee of \$25,000 on the Effective Date (the “**Initial Franchise Fee**”). The Initial Franchise Fee is fully earned by us on the Effective Date and is not refundable. You must pay us the Initial Franchise Fee by wire transfer of immediately available funds to an account we designate, or by any other method we specify.

3B. ROYALTY.

You agree to pay us a weekly royalty fee (the “**Royalty**”) equal to six percent (6%) of your Gross Sales (as defined in Section 3C) for the preceding week on the date we specify from time to time in accordance with Section 3G.

3C. GROSS SALES DEFINED.

For purposes of this Agreement, “**Gross Sales**” means the total gross revenue or consideration derived from your sale of products and services and all other income of every kind and nature, directly or indirectly, from operating your Restaurant, including all revenue or consideration you receive from delivery, catering or otherwise at or away from the Premises, and whether from cash, check, credit and debit card, exchange, trade credit, or other credit transactions. There will be no deductions allowed for uncollected or uncollectible credit accounts or bad debts, or for discounts or promotional pricing. Gross Sales includes the proceeds of any business interruption insurance or similar insurance. If we authorize or require participation in online group-bought deals, gift certificate and/or gift card programs, the payments you receive for those online group-bought deals, gift certificates or gift cards will be included in Gross Sales in accordance with our then-current guidelines for calculating Gross Sales. Gross Sales does not include the amount of any tax imposed by any federal, state, municipal or governmental authority directly on sales and collected from customers if such tax is added to the selling price and actually paid by you to such governmental authority.

3D. TECHNOLOGY FEE.

We may require you to pay a fee to us, or a service-provider we designate (which may be one of our affiliates) for technology related services, including website or email hosting, help desk support, software or website development, enterprise solutions and other services associated with your Computer System (as defined in Section 6B) and/or any Franchise System Website (as defined in Section 8F) (your “**Technology Fee**”). We may modify the amount of your Technology Fee periodically, in our discretion. The Technology Fee is in addition to all direct out-of-pocket costs you must otherwise incur under the terms of this Agreement or the Brand Standards Manual to acquire, maintain, or service your Computer System. You must pay the Technology Fee at the times, and in the manner, designated by the provider of such services. We may require you to enter into a written agreement with the provider of any technology services, with terms and conditions we approve or require. The amount of your Technology Fee may be determined in part by factors that are unique to your Restaurant (such as the number of email addresses we provide you and your employees). You acknowledge and agree that different franchise owners may pay different Technology Fees based on the peculiarities of their businesses.

If we travel to your Restaurant to provide any technological support and/or installation services, you must also reimburse us for the costs we incur for such site visit, including travel, food and lodging, which amounts will not be subject to any cap.

3E. INTEREST ON LATE PAYMENTS.

All amounts that you owe us for any reason will bear interest accruing as of their original due date at the lesser of two percent (2%) per month or the maximum rate of interest permitted by law. We may debit your bank account automatically for service charges and interest. You acknowledge that this Section 3E is not our agreement to accept any payments after they are due or our commitment to extend credit to you, or finance the operation of your Restaurant.

3F. APPLICATION OF PAYMENTS.

Despite any designation you make, we may apply any of your payments to us or our affiliates to any of your past due indebtedness to us or our affiliates. We may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners. You may not withhold payment of any amounts you owe us or our affiliates for any reason, including for any alleged nonperformance by us.

3G. METHOD OF PAYMENT.

You must make all payments due under this Agreement in the manner we designate from time to time and you agree to comply with all of our payment instructions. All amounts payable by you or your owners to us or our affiliates must be in United States Dollars (\$USD). You agree to sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for any or all amounts due under this Agreement (the “**Pre-Authorized Debit Agreement**”). Such Pre-Authorized Debit Agreement will remain in full force and effect during the Term. Our current form of Pre-Authorized Debit Agreement is attached as Exhibit E, but we may periodically ask you to sign additional documents in connection with authorizing us to debit payments from your account, and you agree to do so promptly upon request. We or our designee will debit the business account you designate in the Pre-Authorized Debit Agreement for amounts you owe us on their due dates (or the next business day if the due date is a national or statutory holiday or a weekend). You must ensure that funds are available in your designated account to cover our withdrawals. If there are insufficient funds in your designated account to cover our withdrawals, we may charge you our then-current insufficient funds fee for each instance.

We may receive information regarding your Gross Sales through our access to the Computer System or we may require you to submit weekly Gross Sales reports in the format we require. If we ever stop having access to information from your Computer Systems, and you fail to report your Restaurant’s Gross Sales when due, then for each payment due under this Agreement that is calculated based on Gross Sales, we may debit your business account one hundred ten percent (110%) of the average of the last three (3) applicable payments that we debited. If the amounts that we debit from your business account are less than the amounts you actually owe us (once we have determined your Restaurant’s true and correct Gross Sales), we will debit your business account for the balance on any day we specify. If the amounts that we debit from your business account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your business account on the next payment due date.

You must pay us the Royalty, Brand Fund Contribution and all other fees and amounts you owe us or our affiliates under this Agreement on the days and at the intervals that we specify. We may change the timing, frequency and intervals of any such payments from time to time, but with no less than thirty (30) days' prior written notice to you.

4. TRAINING AND ASSISTANCE.

4A. INITIAL TRAINING.

Prior to opening the first Restaurant developed by you or your Owners or affiliates, we will provide you (or if you are conducting business as an Entity, your Principal Owner) and 2 additional management level employees of your Restaurant (one of which must be your Approved Manager, if applicable) (together, your “**Key Personnel**”) training in the material aspects of operating a Restaurant (the “**Initial Training Program**”). You may invite additional management level employees to attend the Initial Training Program if space allows, and such employees attend training at the same time. Your Key Personnel must satisfactorily complete the Initial Training Program prior to the Opening Date.

We are only obligated to provide the Initial Training Program one time. If you wish us to offer the Initial Training Program again in the future for any reason, including because you or your Owners or affiliates are developing a second or subsequent Restaurant, and/or any of your Owners or Key Personnel were not able to attend the Initial Training Program at the same time, we may charge you our then-current training fee for each individual we agree to train.

We will determine the identity and composition of the trainer(s) conducting all portions of the Initial Training Program in our discretion. We will provide the Initial Training Program at the times and locations we determine, which may include conducting any portion of the Initial Training Program virtually. We may vary the Initial Training Program based on the experience and skill level of the individual(s) attending.

Scheduling of the Initial Training Program is based on your and our availability, training facility availability and the projected Opening Date for your Restaurant. If any of your Key Personnel fail to satisfactorily complete the Initial Training Program, then we may require such person(s) to attend additional training at a time and location of our choice, and we will charge you our then-current training fee for such additional training.

If you and your Key Personnel complete the Initial Training Program to our satisfaction and have not expressly informed us at the end of the Initial Training Program that they do not feel sufficiently trained in the operation of a Restaurant, then you and your Key Personnel will be deemed to have been trained sufficiently to operate a Restaurant. You may request additional training in the operation of a Restaurant for any of your Key Personnel from time to time during the Term. If we agree to provide you such additional training, we and you will jointly determine the duration of this additional training, and may charge you our then-current training fee for such additional training.

If you appoint a new Approved Manager to supervise your Restaurant at any time, or your Principal Owner changes at any time, he or she must attend the then-current Initial Training Program within thirty (30) days of appointment and you must pay our then-current training fee for such attendance.

You are responsible for providing a training program for all your employees who have not attended Initial Training Program. All employees must satisfactorily pass a training program that meets our minimum criteria prior to providing services at your Restaurant.

4B. ON-SITE ASSISTANCE.

On or around your Opening Date, we will send one or more representatives to your Premises to provide on-site advice, guidance, and initial operations support in connection with your opening of the Restaurant. We will determine the identity and composition of the trainer(s) conducting all portions of the on-site opening assistance in our discretion, and may be comprised of only one person. We will also determine the dates and duration of such on-site assistance based on your and your Key Personnel's experience and the nature of your Restaurant. We may vary the Initial Training Program based on the experience and skill level of the individual(s) attending.

Other than grand opening support, if we provide any portion of the Initial Training Program, Digital Brand Training, or other training of any kind for you or your personnel on-site at your Restaurant for any reason (which we are not obligated to do), we may charge our then current on-site training fee for such training (currently, \$300 per person per day, plus expenses).

Notwithstanding anything to the contrary in this Agreement, we will not be required to send any of our representatives to your Restaurant to provide any training, assistance, or services of any kind if, in our sole determination, it is unsafe to do so. Such determination will not relieve you from your obligations under this Agreement and will not serve as a basis for your termination of this Agreement. We may also, at any time, for any reason, elect to conduct any or all support, inspections, training, or other services virtually, and you agree to comply with our instructions for virtual programs.

4C. ONGOING TRAINING.

If we determine that any of your Key Personnel are unable to satisfactorily supervise and fulfill their duties at your Restaurant, we may require such persons to cease providing services at your Restaurant until they complete additional training, and you must pay our then-current training fee for attendance in any training we provide. We may also require you and your Key Personnel and/or certain other employees of your Restaurant to attend various training courses, trade shows, ongoing education or certification programs, and/or webinars at the times and locations designated by us, including courses and programs provided by third-parties we designate. Besides attending these training courses, programs and events, we may additionally require you and/or any of your Key Personnel to attend periodic meetings of franchise owners or managers. We may charge you or your personnel attendance fees for any additional training courses, modules, programs, events and meetings. All additional training courses, modules, programs, events and meetings will be held at our discretion and at the locations we designate

4D. COST OF TRAINING.

You will be solely responsible for all travel and living expenses (including, wages, transportation, food, lodging, and workers' compensation insurance) that you and your Key Personnel or any other employee incurs during any and all meetings and/or training courses and programs.

4E. GENERAL GUIDANCE.

Subject to limitations on scheduling, availability, and similar resources, we may provide you advice from time to time regarding your Restaurant's operation, including advice regarding: (1) standards, specifications, and operating procedures and methods; (2) equipment and facility maintenance; (3) guest service procedures and quality control; and (4) advertising, marketing, and branding strategies. Our advice and guidance will be furnished in the form of our Brand Standards Manual (as defined in Section 4F) and via telephone, virtually, and/or in-person consultation. If you request, and we agree to provide, additional or special guidance, assistance, or training, we may charge you our then-applicable fee. You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify from time to time.

4F. BRAND STANDARDS MANUAL.

We will make our brand standards for the operation of Restaurants available to you during the Term, through one or more separate manuals, as well as via software, applications, internet or intranet sites or other Online Presence, bulletins and/or other written materials (collectively, the "**Brand Standards Manual**"). The Brand Standards Manual contains the mandatory specifications, standards, operating procedures, and rules that we periodically prescribe for Restaurants generally, and/or your Restaurant specifically ("**Brand Standards**"), and other suggested specifications, standards and procedures, and information on your other obligations under this Agreement. We may modify the Brand Standards Manual periodically, including changes in Brand Standards. If there is a dispute over its contents, our master copy of the Brand Standards Manual will control. You agree that the Brand Standards Manual's contents are considered Confidential Information (as defined in Section 11) and that you will not disclose the Brand Standards Manual to any person other than any employee who needs to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Brand Standards Manual without our approval.

At our option, we may make some or all of the Brand Standards Manual available through an Online Presence. If we do so, you agree to monitor and access that Online Presence for any updates to the Brand Standards Manual. Any passwords or other digital identifications necessary to access the Brand Standards Manual on any Online Presence will be deemed to be part of Confidential Information (as defined in Section 11 below).

5. INTELLECTUAL PROPERTY.

5A. YOUR LICENSE.

We grant you a non-exclusive license to use the Marks and the Franchise System exclusively to operate your Restaurant, subject to the terms of this Agreement. Your right to use the Marks and the Franchise System is derived only from this Agreement. You may use the Marks and the Franchise System only for your Restaurant, and only according to this Agreement and in accordance with Brand Standards. You have no right to sublicense or assign your right to use the Marks or the Franchise System. **YOU ACKNOWLEDGE THAT OUR MARKS MAY NOT BE FEDERALLY REGISTERED WHEN YOU SIGN THIS AGREEMENT, WHICH WILL MEAN THAT YOU HAVE FEWER RIGHTS TO THE MARKS, AND/OR MAY BE REQUIRED TO CHANGE THE MARKS IN THE FUTURE.**

5B. USE OF MARKS.

You agree at all times to faithfully, honestly, and diligently promote the Marks in connection with operating your Restaurant. You agree to identify yourself as the independent owner of your Restaurant in the manner we prescribe. You may not use any Mark (1) as part of any corporate or legal business name; (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you); (3) in selling any unauthorized services or products; (4) as part of any website, domain name, email address, social media account, other online presence or presence on any electronic medium of any kind (“**Online Presence**”), except in accordance with our Brand Standards; (5) in advertising any prospective transfer that would require our approval under this Agreement; or (6) in any other manner that we have not expressly authorized in writing. You agree to give the notices of trademark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law. You may not use any other trademarks, service marks or commercial symbols other than the Marks to identify or operate your Restaurant.

5C. OWNERSHIP AND GOODWILL.

We and/or our affiliates are the sole and exclusive owners of the Marks and the Franchise System, and all good will arising from the Marks and the Franchise System. Your unauthorized use of the Marks or the Franchise System is a breach of this Agreement and infringes our and our affiliates’ intellectual property rights. Your unauthorized use of the Marks or the Franchise System will cause us and our affiliates irreparable harm for which there is no adequate remedy at law and will entitle us and our affiliates to injunctive relief. You acknowledge and agree that your use of the Marks and the Franchise System and any goodwill established by that use are exclusively for our and affiliates’ benefit and this Agreement does not confer any goodwill or other interests in the Marks and the Franchise System to you or your affiliates, other than the right to operate your Restaurant under this Agreement. All provisions of this Agreement relating to the Marks and the Franchise System apply to any changes and/or additions to the Marks or the Franchise System that we authorize from time to time. You may not at any time during or after the Term contest or assist any other person in contesting the validity of the Marks or the Franchise System or our or affiliates’ rights to the Marks or the Franchise System.

5D. NOTIFICATION OF INFRINGEMENTS AND CLAIMS.

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark or component of the Franchise System, or of any person’s claim of any rights in any Mark or component of the Franchise System, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any possible infringement, challenge, or claim. We and/or our affiliates may take any action we deem appropriate (including no action) and exclusively control any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark or the Franchise System. You agree to sign any documents and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or other proceeding or otherwise to protect and maintain our interests in any Mark and the Franchise System. We will reimburse you for your reasonable documented out-of-pocket costs of taking any action that we have asked you to take.

5E. CHANGES TO THE MARKS AND FRANCHISE SYSTEM.

You understand that the Marks and the Franchise System may evolve over time, including after you sign this Agreement. If we decide to modify, substitute, add or discontinue the use of any Marks or the Franchise System, you agree to make such modifications and updates as we specify and to comply with all other directions we give regarding the use of the Marks and the Franchise System in connection with your Restaurant within a reasonable time after receiving notice from us, at your sole expense. We are not required to reimburse you for any costs or expenses associated with making such changes, promoting a modified or substitute Mark, or for any loss of revenue due to any modification to the Marks or the Franchise System.

5F. INDEMNIFICATION FOR USE OF MARKS.

We agree to reimburse you for all damages and expenses that you incur in responding to any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement, if you have timely notified us of the proceeding, and complied with our directions in responding to it and are otherwise in compliance with the terms and conditions of this Agreement. At our option, we and/or our affiliates may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement. Our liability under this Section 5F will be limited to an aggregate amount not to exceed the amount actually collected by us from you as the Initial Franchise Fee.

6. BRAND STANDARDS.

6A. COMPLIANCE WITH BRAND STANDARDS.

You acknowledge and agree that operating and maintaining your Restaurant according to Brand Standards is essential to preserve the goodwill of the Marks and all Restaurants. Therefore, you agree at all times to operate and maintain your Restaurant according to all of our Brand Standards, as we periodically modify and supplement them, even if you believe that a Brand Standard is not in the Franchise System's or your best interests. Although we retain the right to establish and periodically modify Brand Standards, you are solely responsible for the management and operation of your Restaurant and for implementing and maintaining Brand Standards at your Restaurant. As examples, and without limitation, Brand Standards may regulate any one or more of the following:

- (1) amounts and types of Operating Assets and inventory you must purchase and/or maintain;
- (2) sales, marketing, advertising, and promotional campaigns, including prize contests, special offers and other national, regional or location marketing programs, and materials and media used in these programs;
- (3) methods, territory, integrations and other standards for delivery, catering, and other off-site services, and/or ghost kitchen operations;
- (4) use and display of the Marks at your Restaurant and on uniforms, labels, forms, paper, products, and other supplies;
- (5) issuing and honoring gift cards, gift certificates and similar items, and participating in loyalty programs;

- (6) minimum staffing levels, and employee credentials, qualifications, training, dress, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);
- (7) days and hours of operation;
- (8) customer service standards and policies, and participation in any quality assurance or customer satisfaction programs;
- (9) menus, including product offerings, appearance, and inclusion of nutrition information;
- (10) product and service development programs, including participation in market research and testing;
- (11) accepting credit and debit cards, other payment systems, currencies, and check verification services;
- (12) designated and approved suppliers of Operating Assets, inventory and other supplies;
- (13) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition;
- (14) use of any third-party food delivery services, online ordering services, or other food aggregation services; and
- (15) any other aspects of operating and maintaining your Restaurant that we determine to be useful to preserve or enhance the brand-image, and goodwill of the Marks and the Franchise System.

6B. OPERATING ASSETS.

You agree to obtain and install the operating assets we designate from time to time as meeting our Brand Standards for quality, design, appearance, function, and performance (collectively, the “**Operating Assets**”), including: (i) the computer hardware, software, point-of-sale and other technology systems (collectively, the “**Computer System**”), and (ii) all other fixtures, furniture, equipment, furnishings, and signs and other products and services that that we approve for Restaurants. If we designate or approve certain brands, types, and models of Operating Assets, you agree to purchase or lease only Operating Assets meeting the specifications we have designated or approved. We may also require you to purchase or lease the Operating Assets only from suppliers we have designated or approved (which may include or be limited to us and/or our affiliates) in accordance with Section 7D. We may modify our designated or approved Brand Standards for Operating Assets, from time to time, and you agree to comply with our modified Brand Standards promptly after you receive notice.

6C. CHANGES TO BRAND STANDARDS.

You understand that the Franchise System will continue to evolve during the Term and the Brand Standards may change periodically. These modifications may obligate you to invest additional capital in your Restaurant and/or incur higher operating costs. You agree to implement any changes to your Restaurant in accordance with our Brand Standards within the time period we request, including by buying new Operating Assets, upgrading or replacing any or all of the Computer System, adding new products and services, or otherwise modifying the nature of your operations, as if part of this Agreement as of the Effective Date. You will be solely responsible for the costs of implementing all changes to your Restaurant in accordance with the Brand Standards.

6D. VARIATION IN BRAND STANDARDS.

You further acknowledge and agree that complete and detailed uniformity might not be possible or practical under varying conditions, and that we specifically reserve the right to vary Brand Standards for any franchise owner based on the peculiarities of any condition that we consider important to that franchise owner's successful operation. We may choose not to authorize similar variations or accommodations to you or other franchise owners.

7. OPERATION OF YOUR RESTAURANT.

7A. MANAGEMENT.

Subject to the terms and conditions of this Agreement, you are solely responsible for the management, direction and control of your Restaurant. You (or if you are conducting business as an Entity, your Principal Owner) must supervise the management and day-to-day operations of your Restaurant on a full-time basis and continuously exert best efforts to promote and enhance your Restaurant and the goodwill associated with the Marks.

If you do not (or if you are conducting business as an Entity, your Principal Owner does not) wish to supervise the day-to-day operation of your Restaurant, then you must obtain our approval of any management level employee and/or other person, agent, or management company that you wish to engage to supervise the management of your Restaurant (your "**Approved Manager**"). We may establish conditions for approving any such Approved Manager in our discretion, which may include the completion of training, confirmation that it will have no competitive business activities, and/or execution of a non-disclosure agreement or other covenants we require.

During any period in which no Approved Manager is approved (including because the Approved Manager resigns or otherwise indicates to us or you that he or she wishes to cease acting as your Approved Manager, or we disapprove of your Approved Manager for any reason), you (or if you are conducting business as an Entity, your Principal Owner) must supervise the day-to-day operations of your Restaurant. Your Restaurant must always be under the direct on-site supervision of one or more persons who we have approved.

7B. CONDITION AND APPEARANCE OF YOUR RESTAURANT.

During the Term you must regularly clean, repaint and repair the interior and exterior of the Premises, repair or replace damaged, worn out or obsolete Operating Assets and otherwise maintain the condition of your Restaurant, the Premises and the Operating Assets to meet the highest standards

of professionalism, cleanliness, sanitation, efficient, courteous service and pleasant ambiance. You must place or display at the Premises (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials that we from time to time approve. If you fail to maintain your Restaurant in accordance with our Brand Standards, and do not complete any required maintenance in good faith and with due diligence for more than thirty (30) days after we notify you of the deficiency, we have the right, in addition to all other remedies, to enter the Premises and do any required maintenance or refurbishing on your behalf. You agree to reimburse us on demand for any expenses we incur in maintaining the Premises on your behalf.

7C. APPROVED PRODUCTS AND SERVICES.

You agree that you will offer and sell at your Restaurant the products and services that we specify from time to time. You agree that you will offer and sell such approved products and services in the manner we have prescribed, including that we may require you to offer and sell products and services through any Online Presence or other alternative channel of distribution we specify. You will not offer or sell any products or services we have not approved, through any channels of distribution we have not approved, from or to any location we have not approved, and/or otherwise not in accordance with any Brand Standards we have established. If we at any time disapprove a product or service, or revoke your right to offer or sell such product or service for any reason, you must immediately discontinue selling and offering such product(s) or service(s) as we specify.

Without limiting any other rights we may have under this Agreement, you acknowledge that we may require you to offer and provide delivery, catering and/or other off-site services, and/or act as a ghost kitchen or virtual kitchen for one or more Digital Brands (defined below), in each case as we specify from time to time. We may limit the geographic area in which you may offer any such services, and we may modify that geographic area from time to time (and such geographic area may be different from your Protected Territory). If we specify a geographic area in which you may offer and provide any such services, you agree not to offer or provide such services outside of that area.

7D. DIGITAL BRANDS.

We may periodically offer you the right to fulfill virtual or digital orders at your Restaurant for one or more digital food service brands that we approve (each a “**Digital Brand**”). You must obtain our prior written approval before activating or offering any Digital Brands at your Restaurant. We may condition our approval of any Digital Brand on our then-current criteria, which we may modify periodically, and which may include your compliance with agreements with us, your business experience, the market factors in your area, the specifications of your Premises, and any other factors we deem appropriate. If we approve you to offer a Digital Brand, you must do so strictly in accordance with this Agreement and our Brand Standards. If we approve you to offer any Digital Brand from your Restaurant, you must sign our then-current digital brand rider to this Agreement before you activate any such Digital Brand, and comply with any pre-activation obligations contained therein.

7E. APPROVED DISTRIBUTORS AND SUPPLIERS.

We may designate, approve or develop Brand Standards for manufacturers, distributors and suppliers of products and services to your Restaurant, which may be us or our affiliates (collectively, “**suppliers**”). You must purchase the products and services we periodically designate only from the suppliers we prescribe and only on the terms and according to the specifications we approve.

We may concentrate purchases with one or more suppliers for any reason, including to obtain lower prices, advertising support and/or services for any group of Restaurants franchised or operated by us or our affiliates. We may also designate a single supplier for any product, service, Operating Asset, or other material, or approve a supplier only for certain products, which may be us or our affiliates. You acknowledge and agree that we and/or our affiliates may derive consideration, revenue and profits based on your purchases (including from charging you for products and services we or our affiliates provide to you, and from promotional allowances, rebates, volume discounts and other payments, services or consideration we receive from suppliers on the basis of sales to you or other franchise owners). We and/or any of our affiliates may retain and use such consideration, revenue and profit without restriction. We also reserve the right to charge suppliers a fee for the right to manufacture products for use in the Restaurants.

If you would like us to consider approving a vendor that is not an approved vendor, you must submit your request in writing before purchasing any items or services from that vendor. We will make all determinations about whether to approve an alternative vendor in our sole discretion based on our then-current criteria, which may change from time to time. We may also refuse to consider and/or approve any proposed alternative vendor for any reason whatsoever. We reserve the right to charge you a fee if you ask us to evaluate any proposed alternative vendors. We may, with or without cause, revoke our approval of any vendor at any time.

7F. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.

You must secure and maintain all required licenses, permits, and certificates relating to the operation of your Restaurant and must at all times operate your Restaurant in full compliance with all applicable laws, ordinances, and regulations. You agree to comply and assist us in our compliance efforts with any and all laws and regulations, including those relating to truth in lending, restaurants and food service businesses, safety and sanitation, truth in advertising, occupational hazards, health and anti-discrimination laws, Executive Orders or otherwise relating to anti-terrorist activities (including the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations). In connection with such compliance efforts, you agree not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to your Restaurant as may be required by us or by law. You confirm that you are not listed in the Annex to Executive Order 13224 and agree not to hire any person so listed or have any dealing with a person so listed (the Annex is currently available at <http://www.treasury.gov>). You are solely responsible for ascertaining what actions must be taken by you to comply with all such laws, orders and/or regulations, and specifically acknowledge and agree that your indemnification responsibilities (as provided in Section 17D) apply to your obligations under this Section 7E.

You agree to comply with our website privacy policy, as it may be amended periodically. You further agree to comply with any requests to return or delete customer's personal information, whether requested by us or directly by the customer, as required by applicable data sharing and privacy laws.

Your Restaurant must adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct in all dealings with customers, suppliers, us and the public. You agree to refrain from any business or advertising practice which may injure our business and the goodwill associated with the Marks and other Restaurants. Promptly upon receipt, you agree to provide us a copy of any and all notices you receive from any person, entity or governmental authority claiming that you (or your affiliates or representatives) have violated any laws, regulations, permits, licenses, agreements or other committed any other breach, default or violation in connection with Restaurant, and/or any audit,

investigation, or similar proceeding by any such person or governmental authority is pending or threatened against you on the basis of any of the foregoing, including any default notices from any landlord or supplier, any violation notices from a health or safety regulatory board, and any customer complaints alleging violations of law, or which may otherwise adversely affect your operation or financial condition or that of your Restaurant.

7G. INFORMATION SECURITY

You must implement all administrative, physical and technical safeguards necessary to protect any information that can be used to identify an individual, including names, addresses, telephone numbers, e-mail addresses, employee identification numbers, signatures, passwords, financial information, credit card information, biometric or health data, government-issued identification numbers and credit report information (“**Personal Information**”) in accordance with applicable law and industry best practices, including, where required, obtaining necessary consents and making required disclosures. It is entirely your responsibility (even if we provide you any assistance or guidance in that regard) to confirm that the safeguards you use to protect Personal Information comply with all applicable laws and industry best practices related to the collection, access, use, storage, disposal and disclosure of Personal Information. If you become aware of a suspected or actual breach of security or unauthorized access involving Personal Information, you will notify us immediately and specify the extent to which Personal Information was compromised or disclosed. You also agree to follow our instructions regarding curative actions and public statements relating to the breach.

7H. EMPLOYEES, AGENTS & INDEPENDENT CONTRACTORS.

You acknowledge and agree that you are solely responsible for all decisions relating to employees, agents, and independent contractors that you may engage, retain or hire to assist in the operation of your Restaurant. You agree that any employee, agent or independent contractor that you hire will be your employee, agent or independent contractor, and not our employee, agent or independent contractor. You also agree that you are exclusively responsible for the terms and conditions of employment of your employees, including recruiting, hiring, firing, training, compensation, work hours and schedules, work assignments, safety and security, discipline, and supervision. You agree to manage the employment functions of your Restaurant in compliance with federal, state, and local employment laws.

We may require that any employee, agent or independent contractor that you hire and that will have access to Confidential Information, to execute a non-disclosure agreement to protect the Confidential Information. We reserve the right to regulate the form of non-disclosure that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. You acknowledge that any form of non-disclosure agreement that we require you to use, provide to you, or regulate the terms of may or may not be enforceable in a particular jurisdiction. You agree that you are solely responsible for obtaining your own professional advice with respect to the adequacy of the terms and provisions of any confidentiality agreement that your employees, agents, and contractors sign.

7I. INSURANCE.

During the Term you must maintain in force at your sole expense the types and amounts of insurance that we require and that comply with the terms of your Lease. We reserve the right to require you to obtain all or a portion of your insurance policies from a designated vendor and on the terms and according to the specifications we approve. The liability insurance must cover claims for bodily

and personal injury, death, and property damage caused by or occurring in connection with your Restaurant's operation or activities of your personnel in the course of their employment. All of these policies must contain the minimum coverage we prescribe from time to time, and must have deductibles not to exceed the amounts we specify. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverages (including reasonable excess liability insurance) at any time. These insurance policies must be purchased from licensed insurers having a rating of "A/VIII" or higher by the then-current edition of Best Insurance Reports published by A.M. Best Company (or other similar publication or criteria we designate).

Each insurance policy for liability coverage must name us and any affiliates we designate as additional named insureds, using a form of endorsement that we have approved, and provide for 30 days' prior written notice to us of a policy's material modification, cancellation or expiration. Each insurance policy must contain a waiver of all subrogation rights against us, our affiliates and their successors and assigns. You must routinely furnish us copies of your Certificates of Insurance or other evidence of your maintaining this insurance coverage and paying premiums. If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies including termination, we may (but are not required to) obtain such insurance for you and your Restaurant on your behalf, in which event you agree to cooperate with us and reimburse us on demand for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee.

Our requirements for minimum insurance coverage are not representations or warranties of any kind that such coverage is sufficient for your Restaurant's operations. Such requirements represent only the minimum coverage that we deem acceptable to protect our interests. It is your sole responsibility to obtain insurance coverage for your Restaurant that you deem appropriate, based on your own independent investigation. We are not responsible if you sustain losses that exceed your insurance coverage under any circumstances.

7J. PRICING.

Unless prohibited by applicable law, we may periodically set a maximum or minimum price that you may charge for products and services offered by your Restaurant. If we impose such a maximum or minimum price for any product or service, you must ensure that customer pricing at your Restaurant complies with such minimum and maximum pricing standards. The designated maximum and minimum prices for the same product or service may, at our option, be the same. For any product or service for which we do not impose a maximum or minimum price, we may require you to comply with an advertising policy adopted by us which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. Although you must comply with any advertising policy we adopt, you will not be prohibited from selling any product or service at a price above or below the suggested retail price unless we impose a maximum price or minimum price for such product or service.

8. MARKETING.

8A. GRAND OPENING ADVERTISING.

You must spend at least Fifteen Thousand Dollars (\$15,000) for a grand opening marketing program for your Restaurant to take place on the dates we designate before and after your Restaurant opens. You must spend this amount in addition to all other amounts you must spend on advertising specified in this Agreement. The amount you spend on grand opening advertising will not count

towards your Local Advertising Expenditure (defined in Section 8B), or your Maximum Advertising Expenditure (defined in Section 8E). You agree to use the media, materials, programs and strategies we develop or approve in connection with the grand opening advertising program. We may require you to pay this amount to us, or our affiliate or designee, to conduct marketing on your behalf.

8B. YOUR ADVERTISING.

You must advertise and market your Restaurant in any advertising medium we determine, using forms of advertisement we approve or designate. You must also list your Restaurant with the online directories and subscriptions we periodically prescribe (such as Yelp® and Google®), and/or establish any other Online Presence we require. You must comply with all of our Brand Standards for your advertising. Your advertising, promotion, and marketing must be completely clear, factual, and not misleading and conform to the highest standards of ethical advertising, the Brand Standards, and any marketing and the advertising and marketing policies that we prescribe from time to time.

You must spend an amount that we designate from time to time to advertise and promote your Restaurant (the “**Local Advertising Expenditure**”). We may change the amount of your Local Advertising Expenditure from time to time, subject to your Maximum Advertising Expenditure (as defined in Section 8E). We will determine what type of expenditures that will count towards your Local Advertising Expenditure. Indirect costs you incur in managing your local advertising campaigns, such as salaries and benefits of employees administering the campaigns, will not be counted towards your Local Advertising Expenditure. Additionally, any costs you incur for advertising conducted at the Premises, such as in-store materials and signage, will not be counted towards your Local Advertising Expenditure. On our request, you agree to send us, in the manner we prescribe, an accounting of your Local Advertising Expenditures during the preceding months.

We may require you to pay part or all of the Local Advertising Expenditure to us or our designee. If we exercise this option, we will contribute the amount you pay us to the Brand Fund(s) (as defined in Section 8D). We may at any time, on one or more occasions, cease collecting all or part of the Local Advertising Expenditure, or change the proportion of the Local Advertising Expenditure that you must pay us or our designees.

8C. APPROVAL OF ADVERTISING.

At least 30 days before you intend to use them, you agree to send us samples of all advertising, promotional and marketing materials that you wish to us, that we have previously not approved. If we do not approve of the materials within 14 days of our receipt of such materials, then they will be deemed disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

8D. BRAND FUND.

We may from time to time establish one or more brand fund(s) (each a “**Brand Fund**”) to administer certain advertising, marketing, and public relations programs for the Franchise System, “The Original Hot Chicken” brand and/or any Digital Brands and the promotion of Restaurants. You hereby agree to contribute to each Brand Fund(s) the amount that we determine from time to time (the “**Brand Fund Contribution**”). We may modify the amount of the Brand Fund Contribution from time to time with notice to you, provided that the aggregate total of the Brand Fund Contribution and Local Advertising Expenditure, together does not exceed the Maximum Advertising Expenditure (defined

below). The Brand Fund Contribution must be paid by you in the manner we designate from time to time, which may include collecting amounts in the same manner as the Royalty.

We will have exclusive control over all programs and services administered by the Brand Fund(s), with sole discretion over the creative concepts, materials, and campaigns and their geographic market, media placement and allocation. The Brand Fund(s) may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining any Online Presences or other software or applications; administering advertising and marketing campaigns; administering regional and multi-regional marketing and advertising programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; supporting public relations, market research, and other advertising, promotion, and marketing strategy or implementation activities; and/or any other expenditures that are directly or indirectly related to promoting the Marks, the Franchise System, the brand, and/or Restaurants. We may also use the Brand Fund(s) to pay for the Brand Funds' other administrative and overhead costs, including the reasonable salaries and benefits of personnel who manage and administer the Brand Fund(s), and any other expenses that we or our affiliates incur that are related to administering or directing the Brand Fund(s) and its programs. We may also elect to use (but will not have the obligation to use) the Brand Fund(s) to pay for or reimburse franchisees for so costs they may incur for promoting their Restaurants and/or complying with updated branding guidelines. We may modify Brand Fund(s) programs, services, or expenditures at any time in our sole discretion.

The purpose of the Brand Fund(s) is to promote the Marks, the Franchise System, "The Original Hot Chicken" brand, other Digital Brands, and Restaurants generally. As such, you acknowledge and agree that there is no guarantee that you or your Restaurant will benefit from Brand Fund(s) expenditures directly or in proportion to your Brand Fund Contribution. We are not required to spend any specific amount on advertising in your geographic area. You further acknowledge and agree that the results of any marketing and promotional programs are by their nature uncertain, and that neither we nor any of our affiliates or representatives has guaranteed the results of any Brand Fund(s) programs, services, or expenditures in any manner.

We will account for the Brand Fund(s) separately from our other funds. However, neither we nor any of our affiliates has any fiduciary obligation to you or any other person for administering the Brand Fund(s) or for any other reason. The Brand Fund(s) may spend in any fiscal year more or less than the total Brand Fund Contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will prepare an annual, unaudited statement of Brand Fund(s) collections and expenses and give you the statement on written request, within 120 days after the end of each fiscal year, but not less than 30 days' notice from you of such request. We may have the Brand Fund(s) audited annually, at the Brand Funds' expense, by an independent accountant. We may also administer the Brand Fund(s) through a separate entity whenever we deem appropriate, and such entity will have all of the rights and duties specified in this Section.

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Brand Fund Contributions at the Brand Funds' expense. We may also forgive, waive, settle, and compromise all claims by or against the Brand Fund(s) in our sole discretion.

We may at any time reduce, suspend, terminate, and/or re-instate Brand Fund Contributions and/or operations of the Brand Fund(s) for one or more periods of any length. If we terminate the Brand Fund(s), we will spend the remaining balance in the Brand Fund(s) until such amounts are exhausted. We may elect to maintain multiple Brand Funds, whether determined by geographic region, country,

brand, or otherwise, or consolidate or merge multiple Brand Funds, in each case provided that each such Brand Fund will otherwise remain subject to this Section. If we maintain multiple Brand Funds, we will determine how Brand Fund Contributions will be segregated among each applicable Brand Fund, and we may modify our procedures at any time with notice to you.

8E. MAXIMUM ADVERTISING EXPENDITURE

The combined Brand Fund Contribution and Local Advertising Expenditure that we impose will not exceed five percent (5%) of your Restaurant's Gross Sales (the "**Maximum Advertising Expenditure**"). We reserve the right to change the amount of the Brand Fund Contribution and/or Local Advertising Expenditure, with no less than 60 days prior notice to you, so long as any change does not result in a combined Brand Fund Contribution and Local Advertising Expenditure greater than the Maximum Advertising Expenditure.

8F. FRANCHISE SYSTEM WEBSITE.

We may establish, acquire, or host any website(s) or other Online Presences to advertise, market, and promote Restaurants, the products and services that they offer and sell, and/or a Restaurant franchise opportunity (a "**Franchise System Website**"). We may (but are not required to) provide you with a webpage on a Franchise System Website that references your Restaurant. If we provide you with a webpage on a Franchise System Website, you must: (i) provide us the information and materials we request to develop, update, and modify your webpage; (ii) notify us whenever any information on your webpage is not accurate; and (iii) if we give you the right to modify your webpage, notify us whenever you change the content of your webpage. We will own all intellectual property and other rights in all Franchise System Websites, including your webpage and all information it contains (including the domain name, any associated email address, any website analytical data, and any personal or business data that visitors supply). We may require you to obtain from us and use an email address associated with our registered domain name. If we require you to obtain and use such an email address, you must do so according to our then-current Brand Standards. We will have unrestricted access to all such email accounts, and all document, data, materials, and messages shared from or by such accounts. Even if we provide you a webpage on a Franchise System Website, we will only maintain that webpage while you are in full compliance with this Agreement and all Brand Standards we implement. If you are in default of any obligation under this Agreement or our Brand Standards, then we may temporarily remove your webpage from any Franchise System Website until you fully cure the default. We will permanently remove your webpage from all Franchise System Websites upon this Agreement's expiration or termination.

We may require you to provide notice of any Franchise System Website in the advertising, marketing, and promotional materials that you develop for your Restaurant in the manner we designate.

We reserve the right to require you to obtain from us and use an email address associated with our registered domain name. If we require you to obtain and use such an email address, you must do so according to our then-current Brand Standards. We reserve the right to charge you a fee for each email address we provide you as part of the Technology Fee.

Except as provided above, or as approved by us in writing or in the Brand Standards Manual, you may not develop, maintain or authorize any Online Presence that mentions your Restaurant, links to any Franchise System Website or displays any of the Marks, or engage in any promotional or similar activities, whether directly or indirectly, through any Online Presence. If we approve the use of any

such Online Presence in the operation of your Restaurant, you will develop and maintain such Online Presence only in accordance with our guidelines, including our guidelines for posting any messages or commentary on other third-party websites, including preparing and linking a privacy policy to such Online Presence that complies with all applicable laws, our Brand Standards, and other terms and conditions, that we may prescribe in writing. We will own the rights to each such Online Presence. At our request, you agree to grant us access to each such Online Presence, and to take whatever action (including signing assignment or other documents) we request to evidence our ownership of such Online Presence, or to help us obtain exclusive rights in such Online Presence.

8G. CONTACT INFORMATION AND LISTINGS.

You agree that, as between us and you, we reserve the right to all telephone numbers, directory listings, and/or any other type of contact information or directory listing for your Restaurant or that you use in the operation or promotion of your Restaurant (collectively, the “**Contact Information**”). The Contact Information may be used only for your Restaurant in accordance with this Agreement and our Brand Standards and for no other purpose. We reserve the right to notify any telephone company, listing agencies, website hosting company, domain registrar, social network, and any other third-party owning or controlling any Contact Information, if any information relating to your Restaurant is inaccurate or violates our Brand Standards, and request they modify such Contact Information, and/or remove such Contact Information until it can be corrected.

9. RECORDS, REPORTS, AND FINANCIAL STATEMENTS.

You must use the Computer System to maintain certain sales data, customer information and other information. You agree that we will have access to your Computer System at all times and that we will have the right to collect and retain from the Computer System any and all data concerning your Restaurant. At our request, you agree to sign a release with any vendor of your Computer System, providing us with such access to the Computer System as we may request from time to time. If such vendor is not willing to grant us independent access for any reason, you agree to provide us access to your Computer System through your account.

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe from time to time. We may require that you hire a service-provider that we designate as your provider of accounting, payroll and/or bookkeeping services. If we designate a service-provider for accounting, payroll and/or bookkeeping services, you agree to cooperate with such service-provider and provide such service-provider with all information you would appropriately provide us under this Section 9. Each month, you agree to generate, in the manner and format that we may prescribe from time to time, an income statement (including a standard chart of the accounts designated by us) for your Restaurant covering the most recently completed month. On our request, you agree to send us such statements. You also agree to give us in the manner and format that we prescribe from time to time:

- (a) on or before each Royalty payment, a report on your Restaurant’s Gross Sales during the applicable reporting period;
- (b) within fifteen (15) days after the end of each calendar month, the operating statements, financial statements, statistical reports and other information we request regarding your Restaurant covering the preceding month;

(c) within the time limits specified in the Brand Standards Manual, such other periodic operating statements, financial statements, statistical reports and other information we request regarding you and your Restaurant;

(d) by March 15th of each year, annual profit and loss and source and use of funds statements and a balance sheet for your Restaurant as of the end of the prior calendar year; and

(e) within ten (10) days after our request, exact copies of federal and state income tax returns, tax returns for sales, use, service, occupation, gross revenue, income, property, excise, or similar taxes, and any other forms, records, books, and other information we may periodically require relating to you and your Restaurant.

An officer must certify and sign each report and financial statement. We may disclose data derived from these reports, although we will not without your consent (unless required by law) disclose your identity in any materials that we circulate publicly.

Subject to applicable law, you agree to preserve and maintain all records in a secure location at your Restaurant for at least five (5) years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, tax records and returns for sales, use, service, occupation, gross revenue, income, property, excise or similar taxes, cash receipts journals, cash disbursement journals, and general ledgers). We may require you to have audited financial statements prepared annually during the Term.

10. INSPECTIONS AND AUDITS.

10A. OUR RIGHT TO INSPECT YOUR RESTAURANT.

To determine whether you and your Restaurant are complying with this Agreement and all Brand Standards, we and our designated agents or representatives may at all times and without prior notice to you: (1) inspect your Restaurant; (2) photograph your Restaurant and observe and videotape your Restaurant's operation for consecutive or intermittent periods we deem necessary; (3) continuously or periodically monitor your Restaurant using electronic surveillance or other means; (4) remove samples of any products and supplies; (5) speak with your Restaurant's personnel and customers; (6) inspect your Computer System, including hardware, software, security, configurations, connectivity, and data access; and (7) inspect and copy any books, records, and documents relating to your Restaurant's operation. Additionally, we may engage third parties to conduct mystery shopper, customer survey or other market research testing, and quality assurance inspections at your Restaurant. You agree to cooperate with us fully during the course of these inspections and tests.

If we determine after any inspection of your Restaurant that one or more failures of Brand Standards exist, or any circumstances exists that prevents us or our designated representatives from properly inspecting any or all of your Restaurant (including if you or your personnel refuse entry to the Premises), we may re-inspect your Restaurant one or more times thereafter to evaluate whether such failures have been cured and/or conduct any other follow-up review that we deem is necessary, and you will reimburse all of our costs associated with the failed audit and/or such re-inspections and follow-up visits, including vendor fees, travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

10B. OUR RIGHT TO AUDIT.

We may at any time during your business hours, and without prior notice to you, examine your and your Restaurant's business, bookkeeping, and accounting records, tax records and returns for income, sales, use, service, occupation, gross revenue, income, property, excise, or similar taxes, and other records. You agree to cooperate fully with our representatives and independent accountants in any examination. If any examination discloses an understatement of your Restaurant's Gross Sales, you agree to pay us the Royalty, Brand Fund Contribution, and any other fees understated, plus interest on the understated amounts from the date originally due until the date of payment, within fifteen (15) days after receiving the examination report. Furthermore, if an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if our examination reveals an understatement of Gross Sales exceeding three percent (3%) of the amount that you actually reported to us for the period examined, you agree to reimburse us on demand for the costs of the examination, including attorney and independent accountants and the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

11. CONFIDENTIAL INFORMATION.

In connection with your franchise under this Agreement, you and your owners and personnel may from time to time be provided and/or have access to non-public information about the Franchise System and the operation of Restaurants (the "**Confidential Information**"), including: (1) training programs and materials; (2) the Brand Standards Manual; (3) market research and marketing strategies, including expansion strategies and targeted demographics; (4) specifications for products, services and suppliers, including menu recipes and ingredients; (5) any software or technology which is proprietary to us or the Franchise System, including digital passwords and identifications and any source code of, and data and reports generated by the software or similar technology; (6) the operating results and financial performance of Restaurants, including your Restaurant; (7) customer data, such as customer names, addresses, telephone numbers, e-mail addresses, buying habits, preferences, demographic information and related information, and any other information contained from time to time in the Computer System; and (8) any other information designated as confidential or proprietary by us.

All Confidential Information will be owned by us. You acknowledge and agree that: (i) you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your Restaurant during the Term; and (ii) that Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you will protect it. You acknowledge that any unauthorized use or disclosure of Confidential Information would be an unfair method of competition and a breach of trust and confidence and will result in irreparable harm to us and our affiliates. You (and if you are conducting business as an Entity, each of your owners) therefore agree that during and after the Term you will, and to cause each of your respective spouses, immediate family members, affiliates, and assigns to:

- (a) not use the Confidential Information for any purpose other than the development and operation of the Restaurant in accordance with this Agreement;
- (b) keep confidential and not disclose, sell, distribute, or trade the Confidential Information to any person other than those of your employees and representatives who need to know such Confidential Information for the purpose of assisting you in operating the

Restaurant in accordance with this Agreement; and you agree that you will be responsible for any violation of this requirement by any of your representatives or employees;

(c) not make unauthorized copies of any Confidential Information;

(d) adopt and maintain reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including by establishing reasonable security and access measures, restricting its disclosure to key personnel, and/or by requiring persons who have access to the Confidential Information to execute a non-disclosure and non-competition that we approve; and

(e) at our request, destroy or return any of the Confidential Information.

Confidential Information does not include information, knowledge, or know-how, which is lawfully known to the public without violation of applicable law or an obligation to us or our affiliates.

We are not making any representations or warranties, express or implied, with respect to the Confidential Information. We and our affiliates have no liability to you and your affiliates for any errors or omissions from the Confidential Information.

All ideas, concepts, techniques, or materials relating to a Restaurant and/or the Franchise System created by you, your owners or your employees (or for you, your owners or your employees), whether or not protectable intellectual property, must be promptly disclosed to us and will be our sole and exclusive property, part of the Franchise System, and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, you hereby waive all moral rights in that item, assign ownership of that item, and all related rights to that item, to us and agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item.

12. EXCLUSIVE RELATIONSHIP.

12A. COVENANTS AGAINST COMPETITION.

You acknowledge that we have granted you a franchise in consideration of and reliance on your agreement to deal exclusively with us. You (and if you are conducting business as an Entity, each of your owners) therefore agree, during the Term, not to and to cause each of your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns not to:

(a) have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, lessor, representative, or agent in any Competitive Business (as defined below), wherever located or operating (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);

(b) perform services or act as a director, officer, manager, employee, consultant, lessor, representative, or agent for a Competitive Business, wherever located or operating; or

(c) divert or attempt to divert any actual or potential business or customer of any Restaurant to a Competitive Business.

You agree to obtain similar covenants and covenants of confidentiality from your personnel as we specify, including officers, directors, managers and other employees attending our Initial Training Program or having access to Confidential Information. We have the right to regulate the form of agreement that you use and to be a third-party beneficiary of that agreement with independent enforcement rights.

The term “**Competitive Business**” means any business (excluding any Restaurants operated under a franchise agreement with us or our affiliate) operating, or granting franchises or licenses to others to operate, a restaurant or other food business deriving more than 15% of its revenue from the sale of: (i) chicken menu items or recipes, including chicken tenders, sandwiches, nuggets, or other chicken menu items or products; and/or (ii) any other products or services substantially similar to those products and services offered at your Restaurant.

12B. NON-INTERFERENCE.

During and after the Term, you (and if you are conducting business as an Entity, each of your owners) further agree not to, and to cause your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns not to solicit, interfere, or attempt to interfere with our or our affiliates’ relationships with any customers, franchisees, lenders, vendors, or consultants.

12C. NON-DISPARAGEMENT.

During and after the Term, you (and if you are conducting business as an Entity, each of your owners) agree not to, and to cause your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns not to: (i) disparage or otherwise speak or write negatively, directly or indirectly, of us, our affiliates, any of our or our affiliates’ directors, officers, employees, representatives or affiliates, the “The Original Hot Chicken” brand, any Digital Brand that is or was at any time during the Term activated at your Restaurant, the Franchise System, any Restaurant, any business using the Marks, or any other brand concept operated or franchised by us or our affiliates, or (ii) take any other action which would, directly or indirectly, subject any of the foregoing to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact or injure the goodwill of the Franchise System or the Marks.

13. TRANSFER.

13A. BY US.

You acknowledge that we maintain a staff to manage and operate the Franchise System and that staff members can change as employees come and go. You acknowledge that you did not sign this Agreement in reliance on the continued participation by or employment of any of our shareholders, directors, officers, or employees. We may change our ownership or form of organization and/or assign this Agreement and any other agreement to a third party without restriction or your consent. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we will be released and will no longer have any obligations or liabilities under this

Agreement. This Agreement and any other agreement will inure to the benefit of any transferee or other legal successor to our interest in it.

13B. BY YOU.

You acknowledge that the rights and duties this Agreement creates are personal to you and your owners, if you are conducting business as an Entity, and that we have granted you the franchise in reliance on our perception of your and your owners', if you are conducting business as an Entity individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, none of the following may be transferred, mortgaged, pledged, or encumbered, without our prior written approval: (i) this Agreement or any interest in this Agreement; (ii) your Restaurant (or any right to receive all or a portion of your Restaurant's profits or losses or capital appreciation); (iii) substantially all of the assets of your Restaurant; or (iv) any direct or indirect ownership interest in you. A transfer of your Restaurant's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer or attempt to transfer any of the foregoing (including by listing any of the following for sale on any directory or listing) without our approval has no effect. In this Agreement, the term "**transfer**" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition, including transfer by reason of merger, consolidation, issuance of additional securities, death, disability, divorce, insolvency, encumbrance, foreclosure, surrender or by operation of law.

Notwithstanding anything in this Section 13B to the contrary, if you enter into this Agreement as an individual, if you are in full compliance with this Agreement, you may transfer this Agreement to an Entity, in which you maintain management control, and of which you own and control 100% of the equity and voting power of all issued and outstanding ownership interests; provided, that (i) that Entity will own all of your Restaurant's assets, and will conduct all of your Restaurant's business, (ii) that Entity will conduct no business other than your Restaurant, (iii) that Entity must expressly assume all of your obligations under this Agreement, (iv) you provide us with all organizational documents for the Entity that we require, and (v) you reimburse us for any direct costs we incur in processing such transfer, including attorneys' fees. You agree to remain personally liable under this Agreement as if the transfer to the Entity did not occur, including by signing a personal guaranty of the obligations of such entity. You must also sign the form of consent to assignment and assignment satisfactory to us which may include a release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our affiliates, and our and their owners, officers, directors, employees and agents.

13C. CONDITIONS FOR APPROVAL OF TRANSFER.

Subject to the other provisions of this Section 13, we will not unreasonably withhold our approval of a transfer that meets all of the following requirements before or concurrently with the effective date of the transfer:

- (1) you submit an application in writing requesting our consent and providing us all information or documents we request about the proposed transfer, transferee, and its owners that we request and each such person must have completed and satisfied all of our application and certification requirements;
- (2) you provide us executed versions of any documents executed by you (or your owners) and transferee (and its owners) to effect the transfer, and all other information we

request about the proposed transfer, and such transfer meets all of our requirements, including terms, closing date, purchase price, amount of debt and payment terms, and we have determined that the purchase price and payment terms of the transfer will not adversely affect the transferee's operation of your Restaurant;

(3) you (and your owners) and the transferee (and its owners) sign all of the documents we are then requiring in connection with a transfer, in a form satisfactory to us, including: (i) a release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our affiliates and our and their owners, officers, directors, employees, and agents, and (ii) covenants that you and your transferring owners agree to satisfy all post-termination obligations under this Agreement;

(4) you and your owners have not violated any provision of this Agreement or any other agreement with us or our affiliates during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer, including that you have paid all Royalties, Brand Fund Contributions, and other amounts owed to us, our affiliates, and third-party vendors, and have submitted all required reports and statements;

(5) the transferee and its Key Personnel satisfactorily complete our then-current Initial Training Program;

(6) if the proposed transfer (including any assignment of the Lease or subleasing of the Premises) requires notice to or approval from your landlord, or any other action under the terms of the Lease, you have taken such appropriate action and delivered us evidence of the same;

(7) the transferee must (if the transfer is of this Agreement or your Restaurant), sign our then-current form of franchise agreement and related documents, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty and the Brand Fund Contribution; provided, however, that the term of the new franchise agreement signed will equal the remainder of the then-remaining Term;

(8) the transferee must (if the transfer is of an ownership interest in you or your owners), and/or any other parties that are direct or indirect owners of the transferee must (if the transfer is of this Agreement or your Restaurant), sign our then-current form of guaranty, agreeing to be personally bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us;

(9) other than for a transfer of a non-controlling interest in you, you pay us a transfer fee equal to fifty percent (50%) of the initial franchise fee we are then-charging new franchisees of Restaurants;

(10) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in your Restaurant are subordinate to the transferee's obligation to pay Royalties, Brand Fund Contributions, and other amounts due to us, our affiliates, and third-

party vendors related to the operation of the Restaurant and otherwise to comply with this Agreement;

(11) you have corrected any existing deficiencies of your Restaurant of which we have notified you, and/or the transferee agrees to upgrade and remodel your Restaurant in accordance with our then-current requirements and specifications for Restaurants within the time period we specify following the date of the transfer and the transferee agrees to escrow an amount we approve for payment of the required upgrade or remodel; and

(12) you provide us the evidence we reasonably request to show that appropriate measures have been taken to effect the transfer as it relates to the operation of the Restaurant, including, by transferring all necessary and appropriate business licenses, insurance policies, and material agreements, or obtaining new business licenses, insurance policies and material agreements.

We may review all information regarding your Restaurant that you give the transferee, correct or supplement any information that we believe is inaccurate or incomplete, and give the transferee copies of any reports that you have given us or we have regarding your Restaurant.

Our consent to a transfer pursuant to this Section is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of your Restaurant's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

13D. OUR RIGHT OF FIRST REFUSAL.

If you or any of your owners at any time decide to sell any of the following: (i) this Agreement (or any interest in this Agreement); (ii) your Restaurant (or any right to receive all or a portion of your Restaurant's profits or losses or capital appreciation); (iii) substantially all of the assets of your Restaurant; or (iv) any direct or indirect ownership interest in you, you agree to obtain a bona fide executed written offer, relating to the proposed transfer from a responsible and fully disclosed buyer and send to us a true and complete copy of that written offer. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to 5% or more of the offering price. We may also require you to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

(1) we notify you or your selling owner(s) that we intend to purchase the interest within 30 days after we receive a copy of the offer and all other information we request;

(2) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);

(3) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);

(4) we will have an additional 60 days to prepare for closing after notifying you of our election to purchase; and

(5) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in any Entity, as applicable, including representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

We have the unrestricted right to assign any or all of this right of first refusal to a third party, who then will have the rights described in this Section 13D.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with Section 13B above, and if you and your owners and the transferee comply with the conditions in Section 13C above.

If you do not complete the sale to the proposed buyer within 60 days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal on the same terms as described above.

13E. YOUR DEATH OR DISABILITY.

On the death or disability of you (or if you are an Entity, any of your owners), such person's executor, administrator, conservator, guardian, or other personal representative must transfer such person's interest in this Agreement, the Restaurant, or ownership interest in you, to a third party (which may be such person's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed nine (9) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 13 (except that any transferee that is the spouse or immediate family member of the deceased, will not have to pay the transfer fee described in Section 13C(9) if the transfer meets all the other conditions in Section 13C, and the transferee reimburses us for any direct costs we incur in connection with documenting and otherwise processing such transfer, including reasonable attorneys' fees). The term "**disability**" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent such person from fulfilling such person's respective duties under this Agreement, as applicable.

In the event of the death of you (if you are an individual) or your Principal Owner (if you are an Entity), if your Restaurant is not otherwise being managed by an Approved Manager, the deceased person's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager who we approve and who has completed our then-current Initial Training Program to supervise the day-to-day operations of your Restaurant under the terms of this Agreement. If your Restaurant is not

being managed properly at any time, in our sole judgment, we may, but need not, assume your Restaurant's management (or appoint a third party to assume its management) in accordance with Section 16A.

14. RENEWAL OF YOUR FRANCHISE.

Upon expiration of the Term, you may renew your franchise to operate your Restaurant for one successive term of 10 years, if you meet the following conditions:

- (1) you must have given us written notice of your election no more than 540 days and no less than 180 days before the expiration of the Term;
- (2) you and each of your owners have substantially complied with this Agreement and all Brand Standards during the Term;
- (3) you maintain possession of the Premises and agree to remodel and/or expand your Restaurant, add or replace improvements and Operating Assets, and otherwise modify your Restaurant, as we require to comply with Brand Standards then-applicable for new Restaurants, or, at your option, you secure substitute premises that we approve and you develop those premises according to Brand Standards then-applicable for Restaurants;
- (4) you and your owners sign the franchise agreement and all other ancillary documents and guaranties we then use to grant franchises for Restaurants (modified as necessary to reflect the fact that it is for a renewal franchise), which may contain provisions that differ materially from those contained in this Agreement, including changes to your Royalty and Brand Fund Contribution;
- (5) you and your owners agree to sign, in a form satisfactory to us, a general release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our shareholders, officers, directors, employees, agents, successors, and assigns;
- (6) you pay a renewal fee equal to 50% of our then-current initial franchise fee; and
- (7) at the time you give us written notice of your election to acquire a renewal franchise, we are then-offering franchises for Restaurants in your geographic market area.

If you and/or your owners fail to meet the conditions set forth in this Section 14, you acknowledge that we are not required to offer you a renewal franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during its term under Section 15B.

15. TERMINATION OF AGREEMENT.

15A. TERMINATION BY YOU – OUR BREACH.

You may terminate this Agreement if you and your owners are in full compliance with this Agreement and we materially fail to comply with this Agreement, and (i) we fail to correct the failure within 30 days after you deliver written notice of the material failure to us, or (ii) if we cannot correct

the failure within 30 days, we fail to give you reasonable evidence of our effort to correct the failure within a reasonable time. Your termination under this Section 15A will be effective 30 days after you deliver to us the written notice of termination. If you terminate this Agreement other than according to this Section, the termination will be a termination without cause and breach of this Agreement.

15B. TERMINATION BY US – YOUR BREACH.

We may terminate this Agreement, effective immediately on delivery of written notice of termination to you, if:

- (1) you or any of your owners or affiliates have made or make any material misrepresentation or omission in acquiring the franchise or operating your Restaurant;
- (2) you fail to satisfy all of your development obligations specified in this Agreement, including obtaining our approval prior to opening your Restaurant, and open your Restaurant for business by the deadline specified in Section 2D;
- (3) you do not obtain lawful possession of a Premises we have approved and deliver to us a fully executed copy of the Lease and Lease Rider we have approved for such Premises, in each case by the deadline set forth in 2B;
- (4) you abandon or fail to actively operate your Restaurant for more than two (2) consecutive days of operation or seven (7) days of operation in the aggregate during any twelve-month period, or you provide us or any other party notice (written or oral) that you intend to permanently close or otherwise abandon the operation of your Restaurant;
- (5) you or any of your owners make or attempt to make any transfer in violation of Section 13;
- (6) your Key Personnel do not satisfactorily complete the Initial Training Program in accordance with Section 4A;
- (7) you or any of your owners are or have been convicted by a trial court of, or pleaded guilty or no contest to, an indictable or hybrid offense;
- (8) you or any of your owners or affiliates fail to pay us or our affiliates any amounts due and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;
- (9) you or any of your owners or affiliates fail to pay any other third-party, including the lessor of your Premises, any other amounts owed in connection with your Restaurant when due, and do not cure such failure within any applicable cure period granted by such third-party;
- (10) you fail to maintain the insurance we require and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(11) an event of default occurs under the terms of your Lease, your Lease is terminated by either party thereto, or you otherwise lose the right to occupy the Premises, whether or not through any fault of yours;

(12) you or any of your owners or affiliates knowingly make any unauthorized use or disclosure of any Confidential Information;

(13) you or any of your owners or your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns violate any of your or their obligations under Section 12 of this Agreement;

(14) you violate any health, safety, or sanitation law, ordinance, or regulation, or operate your Restaurant in an unsafe manner, and do not begin to cure the violation immediately, and correct the violation within 24 hours after you receive notice from us or any other party, even if any applicable governmental authority issuing you notice of your failure has granted you a longer period of time to cure;

(15) you create or allow to exist any condition in connection with your operation of your Restaurant that we reasonably determine to present an immediate health or safety concern for the Restaurant's customers or employees;

(16) you have insufficient funds in your designated account to cover your payments owed for Royalties, Brand Fund Contributions and other amounts due on three (3) separate occasions within a twelve (12) month period;

(17) you understate your Restaurant's Gross Sales three (3) times or more during the Term or by more than three percent (3%) on any one occasion;

(18) you or any of your owners make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you or any of your owner's consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property;

(19) your Restaurant or any of its assets are attached, seized, subjected to a writ or distress warrant, or levied on, unless the attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator of your Restaurant is not vacated within thirty (30) days following the order's entry;

(20) your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation;

(21) you breach this Agreement on three (3) or more occasions, which may include receiving an unsatisfactory grand on three (3) or more inspections, mystery shopper examinations, or other quality assurance tests, within any twelve (12) consecutive month period whether or not you correct the failures;

(22) you or your owners breach any other agreement between you or any of your owners or affiliates and us and any of our affiliates and do not cure such breach within the applicable cure period (if any), and/or you or your owners breach any other provision under this Agreement and such breach has not been cured within 30 days after notice from us.

16. RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION.

16A. ASSUMPTION OF MANAGEMENT.

We have the right but not the obligation to enter the Premises and assume your Restaurant's management, or to appoint a third party to assume its management, for any period of time we deem appropriate, if: (1) you abandon or fail actively to operate your Restaurant; (2) you fail to comply with any provision of this Agreement or any Brand Standard and do not cure the failure within the time period we specify in our notice to you; or (3) this Agreement expires or is terminated and we are transitioning your Restaurant operations to us or another person we designate, or determining whether to do so.

All funds from your Restaurant's operation while it is under our or our designee's management will be kept in a separate account, and all expenses will be charged to this account. If we or our designee assume your Restaurant's management, you agree to pay us (in addition to the Royalty, Brand Fund Contributions, and other amounts due to us or our affiliates) our then-current fee for such management services, plus our or our designee's direct out-of-pocket costs and expenses.

If we or our designee assume your Restaurant's management, you acknowledge that we or our designee will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations your Restaurant incurs, or to any of your creditors for any supplies, products, or other assets or services your Restaurant purchases, while we or our designee manage it. Our decision to assume management of your Restaurant, or to appoint a third party to assume management of your Restaurant, will not affect our right to terminate this Agreement under Section 15B. Your indemnification obligations set forth under Section 17D will continue to apply during any period that we or our designee assume your Restaurant's management.

16B. PAYMENT OF AMOUNTS OWED TO US.

You agree to pay us the Royalties, Brand Fund Contributions, interest, and all other amounts owed to us and our affiliates within fifteen (15) days after this Agreement expires or is terminated, calculated as of the date of payment. We have the right to set off any amount you or your owners owe us or our affiliates against any amounts we or our affiliates owe you, your owners or your affiliates. You acknowledge that termination or expiration of this Agreement does not affect your liability for amounts you or your owners or affiliates owe any third-parties or creditors and we do not assume any such liabilities.

16C. LOST REVENUE DAMAGES

If we terminate this Agreement because of your breach or if you terminate this Agreement without cause, you and we agree that it would be difficult, if not impossible, to determine the amount of damages that we would suffer due to the loss or interruption of the revenue stream we otherwise would have derived from your continued payment of Royalties, and that the Brand Fund(s) would have otherwise derived from your continued contributions to those funds, through the remainder of the

Term. Therefore, you and we agree that a reasonable estimate of such damages, less any cost savings we might have experienced (the “**Lost Revenue Damages**”), is an amount equal to the net present value of the Royalties and Brand Fund Contributions that would have become due had this Agreement not been terminated, from the date of termination to the earlier of: (a) two (2) years following the date of termination, or (b) the scheduled expiration of the Term. For the purposes of this Section 16C, Royalties and Brand Fund Contributions will be calculated based on the average monthly Gross Sales of your Restaurant during the twelve (12) full calendar months immediately preceding the termination date; provided, that if as of the termination date, your Restaurant has not been operating for at least twelve (12) months, Royalties and Brand Fund Contributions will be calculated based on the average monthly Gross Sales of all Restaurants operating under the Marks during the our fiscal year immediately preceding the termination date.

You agree to pay us Lost Revenue Damages within 15 days after this Agreement is terminated. You and we agree that the calculation described in this Section 16C is a calculation only of the Lost Revenue Damages and that nothing herein shall preclude or limit us from proving and recovering any other damages caused by your breach of the Agreement.

16D. DE-IDENTIFICATION.

Upon termination or expiration of this Agreement you and your owners must immediately:

(a) close the Restaurant for business to customers and cease to directly or indirectly sell any products and services of any kind and in any manner from the Restaurant and/or using the Marks, unless we direct you otherwise in connection with our exercise of our option to purchase the Restaurant pursuant to Section 16E;

(b) cease to directly or indirectly use any Mark, any colorable imitation of a Mark, any other indicia of a Restaurant, or any trade name, trade-mark, service mark or other commercial symbol that indicates or suggests a connection or association with us, in any manner or for any purpose;

(c) cease to directly or indirectly identify yourself or your business as a current or former Restaurant or as one of our current or former franchise owners (except in connection with other Restaurants you operate in compliance with the terms of a valid Franchise Agreement with us) and take the action required to cancel or assign all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(d) if we do not exercise our option to purchase the Restaurant, promptly and at your own expense, remove all materials bearing our Marks and remove from both the interior and exterior of the Premises all materials and components of our trade dress, as we determine to be necessary to avoid any association between the Premises and the Franchise System or that would, in any way, indicate that the Premises are or were associated with our brand or the Franchise System;

(e) cease using and, at our direction, either disable or transfer, assign or otherwise convey to us full control of all Contact Information and Online Presences that you used to operate your Restaurant or that displays any of the Marks or any reference to the Franchise System (provided that all liabilities and obligations arising from any such Contact Information or Online Presence prior to the date of the transfer, assignment, or conveyance to us, will

remain your sole responsibility in all respects, and any costs we incur in connection therewith with be indemnifiable under Section 17D);

(f) return to us or destroy (as we require) all items, forms and materials containing any Mark or otherwise identifying or relating to a Restaurant, including copies of any and all Confidential Information (including the Brand Standards Manual and any and all customer data or other information from your Computer System); and

(g) comply with all other Brand Standards we establish from time to time (and all applicable laws) in connection with the closure and de-identification of your Restaurant, including as it relates to disposing of Personal Information, in any form, in your possession or the possession of any of your employees.

If you fail to take any of the actions or refrain from taking any of the actions described above, we may take whatever action and sign whatever documents we deem appropriate on your behalf to cure the deficiencies, including, without liability to you or third parties for trespass or any other claim, to enter the Premises and remove any signs or other materials containing any Marks from your Restaurant. You must reimburse us for all costs and expenses we incur in correcting any such deficiencies. You hereby appoint us your true and lawful attorney-in-fact to take such actions and execute such documents on your behalf as may be required to effect the foregoing purposes.

16E. OUR RIGHT TO PURCHASE YOUR RESTAURANT.

We have the option to purchase any or all of the assets of your Restaurant, including your Premises (if you or one of your owners or affiliates owns the Premises) upon the occurrence of a termination or expiration of this Agreement. We may exercise this option by giving you written notice within thirty (30) days after the date of such termination or expiration. We have the unrestricted right to assign this option to purchase. If we purchase your Restaurant and/or the Premises, we are entitled to all customary warranties and representations, including representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise.

If you lease the Premises from an unaffiliated lessor, or if we choose not to purchase the Premises from you (or one of your owners or affiliates owning the Premises), you agree, at our election to (i) assign your Lease to us or our designee, (ii) enter into a sublease with us or our designee for the remainder of the Lease term on the same terms (including renewal options) as the Lease, or (iii) lease the Premises to us or our designee for an initial term of five (5) years with, at our option, up to three (3) additional terms of five (5) years each, on commercially reasonable terms that we approve.

We or our designee will pay the purchase price for the Restaurant and/or Premises (calculated as described below) at the closing, which will take place not later than sixty (60) days after the purchase price is determined, although we or our designee may decide after the purchase price is determined not to purchase your Restaurant and/or the Premises. We may set off against the purchase price, and reduce the purchase price by, any and all amounts you or your owners owe us or our affiliates. At the closing, you agree to deliver to us or our designee:

(a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all taxes paid

by you, including sales, use, service, occupation, gross revenue, income, property, excise or similar taxes;

(b) any and all of your Restaurant's licenses and permits which may be assigned or transferred; and

(c) the ownership interest or leasehold interest (as applicable) in the Premises and improvements or a lease assignment or lease or sublease, as applicable.

If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, we and you will close the sale through an escrow. You and your owners further agree to execute releases, in a form satisfactory to us, of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our owners, officers, managers, employees, agents, successors and assigns.

If we purchase any or all of the assets of your Restaurant upon termination or expiration of this Agreement, the purchase price for such assets will be their reasonable fair market value, provided that these items will not include any value for the rights granted by this Agreement, any goodwill attributable to our Marks, brand image, other intellectual property, any participation in the network of Restaurants, or any other value of your business as a going concern.

If we and you cannot agree on fair market value, fair market value will be determined by two independent accredited appraisers, one of whom is selected by us and one of whom is selected by you, which appraisers will conduct an appraisal and, in doing so, be bound by the criteria for the purchase price described above. If the fair market values determined by the two independent accredited appraisers are within 10% of one another, the purchase price will be the average of the two values. If the fair market values determined by the two independent accredited appraisers are not within 10% of one another, the two independent accredited appraisers will select a third independent accredited appraiser to calculate the fair market value of the assets. If a third independent accredited appraiser is appointed, the purchase price for the assets will be the average of the value calculated by the third independent accredited appraiser and whichever value of the two previous appraisals is closest to the third appraised value. You and we will pay all costs and expenses associated with the independent accredited appraiser that you and we choose, respectively, and will share equally the appraisers' fees and expenses for any third independent accredited appraiser, if applicable. Each appraiser must complete its appraisal within thirty (30) days after its appointment.

16F. COVENANT NOT TO COMPETE.

For two (2) years beginning on the effective date of termination or expiration of this Agreement, you (and if you are conducting business as an Entity, each of your owners) agree not to and to cause each of your respective spouses, immediate family members, affiliates, and assigns not to have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, lessor, representative, or agent in any Competitive Business located or operating (a) at the Premises or within a 15-mile radius of the Premises, or (b) within a 10-mile radius of any other Restaurant.

If any person restricted by this Section 16F fails to comply with these obligations as of the date of termination or expiration, the two (2) year restricted period for that person will commence on the date the person begins to comply with this Section 16F, which may be the date a court order is entered

enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section 16F will not deprive you of your personal goodwill or ability to earn a living.

The restrictions in this Section 16F will also apply after any transfer, to the transferor and its owners, for a period of two (2) years beginning on the effective date of the transfer, with the force and effect as though this Agreement had been terminated for such parties as of such date.

16G. CONTINUING OBLIGATIONS.

All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire. Without limiting the generality of the foregoing, the parties expressly acknowledge that each of the following provisions of this Agreement will survive the Agreement's expiration or termination: Section 11 (Confidential Information); Section 12B (Non-Interference); Section 12C (Non-Disparagement); Section 16 (Rights and Obligations Upon Termination or Expiration); Section 17 (Relationship of the Parties/Indemnification); and Section 18 (Enforcement).

17. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

17A. INDEPENDENT CONTRACTORS.

You and we understand and agree that each of us is an independent business and that you and we are and will be independent contractors. This Agreement does not create a fiduciary relationship between you and us, and nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously to all persons (including customers, suppliers, public officials, and Restaurant employees) as your Restaurant's owner, and indicate clearly that you operate your Restaurant separately and independently from our business operations. You agree to place notices of independent ownership on all interior and exterior signage, forms, business cards, stationery, advertising, and other materials that we may require from time to time. You may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in our name or on our behalf or represent that your and our relationship is anything other than franchisor and franchise owner.

We have no right or duty to direct your employees in the course of their employment for you. You are solely responsible for the terms and conditions of employment of your employees. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Restaurant's operation or the business you conduct under this Agreement.

17B. NO LIABILITY FOR ACTS OF OTHER PARTY.

We and you may not make any express, implied, or collateral agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchise owner. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Restaurant's operation or the business you conduct under this Agreement.

17C. TAXES.

Any and all amounts expressed as being payable to us pursuant to this Agreement are exclusive of applicable taxes. Accordingly, if applicable, all payments by you to us will, in addition, include an amount equal to any and applicable taxes, assessments or amounts of a like nature imposed on any payments to be made pursuant to this Agreement. We will have no liability for any sales, occupation, excise, gross revenue, income, property, or other applicable taxes, whether levied on you or your Restaurant, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and if we pay any taxes to any state or federal taxing authority on account of either your operation or payments that you make to us (except for our income taxes), or any expenses we incur in reviewing, paying or disputing such taxes, such amounts will be subject to indemnification under Section 17D.

17D. INDEMNIFICATION.

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assigns (the “**Indemnified Parties**”) against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of your Restaurant, the business you conduct under this Agreement, and/or your breach of this Agreement, including those alleged to be or found to have been caused by the Indemnified Party’s gross negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction.

For purposes of this indemnification, “**claims**” include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including reasonable accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at your expense (including choosing and retaining its own legal counsel) and agree to settlements or take any other remedial, corrective, or other actions.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination or purported rescission. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim for indemnity under this Section 17D. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover under this Section 17D.

18. ENFORCEMENT.

18A. MEDIATION.

Either party may initiate a mediation process by notifying the other party in writing. The parties agree to conduct the mediation in accordance with the then current Commercial Mediation Procedures of the American Arbitration Association (the “**AAA**”), except to the extent the rules conflict with this Agreement, in which case this Agreement shall control; however, the mediation need not be

administered by the AAA unless the parties cannot agree upon the selection of a mediator within thirty days of the receipt of the written notice of mediation. If the parties cannot reach agreement upon the selection of a mediator, either party may commence a mediation proceeding by making a request for mediation to the AAA regional office closest to our (or our successor's or assign's, as applicable) then current principal place of business (currently, Atlanta, Georgia), with a copy to the other party. The written request for mediation shall describe with specificity the nature of the dispute and the relief sought. Both parties are obligated to engage in the mediation.

The mediation will be conducted by a single mediator with no past or present affiliation or conflict with any party to the mediation. The parties agree that the mediator will be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation. If the parties cannot agree on a mediator and the AAA administers the mediation, the AAA will provide the parties with a list of mediators willing to serve. The parties will have 10 days from receipt of the list from the AAA to agree upon a mediator from the list. If neither party advises the AAA in writing of an agreement within 10 days of receipt of such list, the AAA will appoint the mediator. The fees and expenses of the AAA (or other administrator), if applicable, and the mediator's fee, shall be shared equally by the parties. Each party will bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case. The mediation will occur within 30 days after selection of the mediator.

Regardless of which party initiates the mediation, the parties agree to conduct the mediation at a suitable location chosen by the mediator that is within 50 miles of our (or our successor's or assign's, as applicable) then current principal place of business (currently, Atlanta, Georgia). At least 7 days before the first scheduled session of the mediation, each party shall deliver to the mediator a concise written summary of its position with respect to the matters in dispute (such as claims or defenses) and such other matters required by the mediator.

The parties understand and agree that neither initiation nor completion of mediation contemplated by this Section is a condition precedent to either party's commencement or pursuit of other legal actions and remedies, including arbitration, as permitted under this Agreement.

18B. ARBITRATION.

All controversies, disputes, or claims between us or any of our affiliates (and our and their respective shareholders, officers, directors, agents, and employees), on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to: (1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates); (2) our relationship with you; (3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or (4) any Brand Standard, must be submitted for binding arbitration, on demand of either party, to the AAA. The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our (or our successor's or assign's, as applicable) then current principal place of business (currently, Atlanta, Georgia). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C.

§§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by us or our affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (we and you hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

In any arbitration proceeding, each party will be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. Each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by any party.

ARBITRATION PROCEEDINGS WILL BE CONDUCTED ON AN INDIVIDUAL BASIS. NO ARBITRATION PROCEEDING MAY BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING, (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON BEHALF OF ANY PARTY BY ANY ASSOCIATION OR AGENT. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the provisions of this Agreement.

In any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of time frame, subject matter and persons or entities to which the requests pertain, and shall not include broad phraseology such as "all documents directly or indirectly related to." No interrogatories or requests to admit shall be propounded, unless the parties later mutually agree to their use.

This Section is intended to benefit and bind certain third-party non-signatories. This Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

18C. CONSENT TO JURISDICTION.

Subject to Section 18B above and the provisions below, we and you agree that all controversies, disputes, or claims between us or any of our affiliates (and our and their respective shareholders,

officers, directors, agents, and employees), on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or our relationship with you must be commenced exclusively in state or federal court closest to our (or our successor's or assign's, as applicable) then-current principal place of business (currently, Atlanta, Georgia), and the parties irrevocably consent to the jurisdiction of those courts and waive any objection to either the jurisdiction of or venue in those courts. Nonetheless, the parties agree that any of us may enforce any arbitration orders and awards in the courts of the state in which you are or your Restaurant is located.

18D. GOVERNING LAW.

ALL MATTERS RELATING TO MEDIATION AND/OR ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER FEDERAL LAW, THIS AGREEMENT (OR ANY OTHER AGREEMENT BETWEEN US AND OUR AFFILIATES, AND YOU AND YOUR AFFILIATES), THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

18E. COSTS AND ATTORNEYS' FEES.

The prevailing party in any dispute or proceeding shall be entitled to recover from the other party all damages, costs and expenses, including mediation, arbitration, and court costs and reasonable attorneys' fees, incurred by the prevailing party in connection with such dispute or proceeding.

18F. RIGHTS OF PARTIES ARE CUMULATIVE.

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

18G. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.

EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SECTION 17D, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING, BROUGHT BY EITHER OF US.

18H. INJUNCTIVE RELIEF.

Nothing in this Agreement, including the provisions of Section 18A and 18B, bars our right to obtain specific performance of the provisions of this Agreement and injunctive or other equitable relief against threatened conduct that will cause us, the Marks and/or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and injunctions. You agree that we may obtain such injunctive relief in addition to such further or other relief as may be available at law or in equity. You agree that we will not be required to post a bond to obtain injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

18I. BINDING EFFECT.

This Agreement is binding on us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Brand Standards Manual and Brand Standards, this Agreement may not be modified except by a written agreement signed by both our and your duly-authorized officers.

18J. LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.

EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR ANY OTHER AGREEMENT BETWEEN US AND OUR AFFILIATES, AND YOU AND YOUR AFFILIATES), THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

WE AND YOU AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT.

NO PREVIOUS COURSE OF DEALING WILL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING WILL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT.

18K. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.

Except as expressly provided to the contrary in this Agreement, each provision of this Agreement is severable, and if any part of this Agreement is held to be invalid or contrary to or in conflict with any applicable present or future law, ordinance or regulation for any reason (in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction), that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law, ordinance, rule, or regulation of any jurisdiction requires more notice of this Agreement's termination or of our refusal to enter into a renewal franchise agreement than this Agreement requires, or some other action that this Agreement does not require, or any provision of this Agreement or any Brand Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law, ordinance, rule or regulation will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or Brand Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

18L. WAIVER OF OBLIGATIONS.

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction on the other under this Agreement, effective on delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective on delivery of ten (10) days' prior written notice. We and you will not waive or impair any right, power, or option this Agreement reserves (including our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist on the other's compliance with this Agreement, including any Brand Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Restaurants; the existence of franchise agreements for other Restaurants which contain different provisions from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

The following provision applies if you or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in

connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

18M. SECURITY INTEREST.

As a security for the performance of your and your owners' obligations under this Agreement, you grant us a security interest in all of the assets of your Restaurant, including any present or after-acquired inventory, fixtures, furniture, equipment, accounts, customer lists, supplies, contracts, cash derived from the operation of the Restaurant and sale of other assets, and proceeds and products of all those assets. You agree to execute such other documents as we may reasonably request in order to further document, perfect and record our security interest. If you default in any of your obligations under this Agreement, we may exercise all rights of a secured creditor granted to us by law, in addition to our other rights under this Agreement and at law. If a third-party lender requires that we subordinate our security interest in the assets of your Restaurant as a condition to lending you working capital for the operation of your Restaurant, we will agree to subordinate pursuant to terms and conditions determined by us. This Agreement will be deemed a security agreement under any applicable personal property security legislation.

18N. CONSTRUCTION.

The preambles and exhibits are a part of this Agreement which constitutes our and your entire agreement, and there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your Restaurant. Any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in any Franchise Disclosure Document.

The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

Other than as expressly set forth herein, nothing in this Agreement is intended or deemed to confer any rights or remedies on any person or Entity not a party to this Agreement.

References in this Agreement to “**we**,” “**us**,” and “**our**,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term “**affiliate**” means any person or Entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. The term “**control**” means the power to direct or cause the direction of management and policies. The use of the term “**including**” in this Agreement, means in each case “including, without limitation.”

If two or more persons are at any time the owners of your Restaurant, whether as partners or joint venturers, or are your guarantors, their obligations and liabilities to us will be joint and several. References to “**owner**” mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and your Restaurant or an ownership interest in you), including any person who has a direct or indirect interest

in you (or a transferee), this Agreement or your Restaurant and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. The term “**person**” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity. The term “**your Restaurant**” includes all of the assets of the Restaurant you operate under this Agreement, including its revenue and the Lease.

19. DELEGATION OF PERFORMANCE.

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement. You must perform all of your obligations under this Agreement, and you may not subcontract or delegate any of those obligations to any third parties without our prior written approval.

20. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Brand Standards Manual will be deemed to be delivered: (i) at the time delivered by hand, (ii) at the time delivered via electronic transmission, (iii) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery, or (iv) three (3) business days after placement in United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. Any notice must be sent to the party to be notified at its most current principal business address of which the notifying party has notice; except that it will always be deemed acceptable to send notice to you at the address of the Premises.

Any required payment or report which we do not actually receive during regular business hours on the date due will be deemed delinquent.

21. PROHIBITED PARTIES.

You hereby represent and warrant to us, as an express consideration for the franchise granted hereby, that neither you nor any of your employees, agents, or representatives, nor any other person or entity associated with you, is now, or has been:

1. Listed on: (a) the U.S. Treasury Department’s List of Specially Designated Nationals, (b) the U.S. Commerce Department’s Denied Persons List, Unverified List, Entity List, or General Orders, (c) the U.S. State Department’s Debarred List or Nonproliferation Sanctions, or (d) the Annex to U.S. Executive Order 13224.
2. A person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or is owned or controlled by terrorists or sponsors of terrorism.

You further represent and warrant to us that you are now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by you to us or our affiliates are and will be legally obtained in compliance with these laws. You agree not to, and to cause all employees, agents, representatives, and any other person or entity

associated with you not to, during the Term, take any action or refrain from taking any action that would cause such person or entity to become a target of any such laws and regulations.

22. EXECUTION

This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same Agreement. This Agreement and all other documents related to this Agreement may be executed by manual or electronic signature.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement to be effective as of the Effective Date.

TOHC FRANCHISING LLC,
a Delaware limited liability company

Sign: _____
Name: _____
Title: _____

DATED*: _____
(*Effective Date of this Agreement)

FRANCHISE OWNER

**(IF YOU ARE A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):**

Entity Name

Sign: _____
Name: _____
Title: _____

DATED: _____

FRANCHISE OWNER

(IF YOU ARE AN INDIVIDUAL):

Individual Name

Sign: _____

DATED: _____

EXHIBIT A
TO THE FRANCHISE AGREEMENT

ENTITY INFORMATION

1. **Form.** You operate as a(n): ___ individual/sole proprietorship, ___ corporation, ___ limited liability company, or ___ partnership (CHECK ONE).

2. **Formation:** You were formed on _____(DATE), under the laws of the State of _____(JURISDICTION).

3. **Management:** The following is a list of your directors, officers, managers or anyone else with a management position or title:

<u>Name of Individual</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____

4. **Owners.** The following list includes the full name of each individual who is one of your owners, or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary):

<u>Owner's Name</u>	<u>Percentage/Description of Interest</u>
_____	_____
_____	_____
_____	_____
_____	_____

5. **Principal Owner:** _____

6. **Approved Manager** (if applicable): _____

EXHIBIT B
TO THE FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (“**Guaranty**”) is given by the persons indicated below who have executed this Guaranty (each a “**Guarantor**”) to be effective as of the Effective Date of the Agreement (defined below).

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement executed concurrently herewith (as amended, restated, or supplemented, the “**Agreement**”) by and between TOHC Franchising LLC (the “**Franchisor**”), and _____ (“**Franchisee**”), each Guarantor hereby personally and unconditionally (a) guarantees to Franchisor, and its successor and assigns that Franchisee will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement, and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each Guarantor waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed, and (4) any right such Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed.

Each Guarantor hereby consents and agrees that:

(a) Franchisor may proceed against any Guarantor and/or Franchisee, jointly and severally, including by proceeding against Guarantor, without having commenced any action, or having obtained any judgment against any other Guarantor or Franchisee;

(b) Guarantor will render any payment or performance required under the Agreement on demand if Franchisee fails or refuses punctually to do so;

(c) Guarantor’s liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement;

(d) Guarantor is bound by the restrictive covenants, confidentiality provisions, and indemnification provisions contained in the Agreement, and any and all provisions that by their terms apply to owners of Franchisee;

(e) At Franchisor’s request, Guarantor agrees to provide the updated financial information to us as may be reasonably necessary to demonstrate his or her ability to satisfy the obligations of the franchise owners under the Agreement;

(f) This Guaranty will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of the Agreement by a trustee of Franchisee. Neither Guarantor's obligations to make payment or render performance in accordance with the terms of this Guaranty nor any remedy for enforcement will be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement;

(g) Guarantor agrees to pay all costs and expenses (including attorneys' fees) incurred by Franchisor or any of its affiliates in connection with the enforcement of this Guaranty, including any collection or attempt to collect amounts due, or any negotiations relative to the obligations hereby guaranteed; and

(h) Guarantor agrees to be personally bound by the dispute resolution provisions under Article 18 of the Agreement, including the obligation to submit to binding arbitration the claims described in Section 18B of the Agreement in accordance with its terms.

By signing below, the undersigned spouse of each Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty. Each Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

This Guaranty is binding upon each Guarantor and its respective executors, administrators, heirs, beneficiaries, and successors in interest.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has affixed his signature to be effective as of the Effective Date.

GUARANTOR(S)	SPOUSE(S)
Name: _____ Sign: _____ Address: _____ _____ _____	Name: _____ Sign: _____ Address: _____ _____ _____
Name: _____ Sign: _____ Address: _____ _____ _____	Name: _____ Sign: _____ Address: _____ _____ _____
Name: _____ Sign: _____ Address: _____ _____ _____	Name: _____ Sign: _____ Address: _____ _____ _____

EXHIBIT C
TO FRANCHISE AGREEMENT

PREMISES / SITE SELECTION / PROTECTED TERRITORY

The Premises of your Restaurant is: _____

The Site Selection Area is: _____

The Protected Territory is: _____

EXHIBIT D
TO THE FRANCHISE AGREEMENT

RIDER TO LEASE AGREEMENT

This Rider and the provisions hereof are hereby incorporated into the body of the lease to which this Rider is attached (the “**Lease**”), between _____ (“**Tenant**”) and _____ (“**Landlord**”), for the real property described therein (the “**Premises**”). The provisions hereof will be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Rider and the provisions of the Lease, this Rider will govern and control.

1. Acknowledgement of Franchise Relationship. Landlord acknowledges that Tenant intends to operate a restaurant at the Premises (a “**Restaurant**”), featuring “The Original Hot Chicken” brand, and other approved brands and products, and that Tenant's rights to operate a Restaurant and to use the name, trademarks and service marks associated with “The Original Hot Chicken” brand and other brands we periodically approve (the “**Marks**”) are solely pursuant to a franchise agreement (“**Franchise Agreement**”) between Tenant and TOHC Franchising LLC (“**Franchisor**”). Tenant's operations at the Premises are independently owned and operated. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Franchisor or another franchisee expressly, and in writing, assumes such obligations and takes actual possession of the Premises. Landlord agrees not to take an action that would prohibit Tenant from operating the Restaurant, as contemplated by the Franchise Agreement, at the Premises.

2. Consent to Collateral Assignment to Franchisor. Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to (i) the collateral assignment of Tenant's interest in this Lease to Franchisor to secure Tenant's obligations to Franchisor under the Franchise Agreement, (ii) Franchisor's succeeding to Tenant's interest in the Lease as a result of Franchisor's exercise of rights or remedies under such collateral assignment or as a result of Franchisor's termination of, or exercise of rights or remedies granted in or under, any other agreement between Franchisor and Tenant, and/or (iii) Tenant's, Franchisor's and/or any other franchisee of Franchisor's assignment of the Lease to another franchisee of Franchisor with whom Franchisor has executed its then-standard franchise agreement. Landlord agrees that to the extent Franchisor becomes Tenant, for howsoever brief a period, upon assumption of lease pursuant to this provision, that simultaneously with any subsequent assignment to another party, Franchisor will be released from all liability under the Lease or otherwise accruing after the date of such assignment; provided, that neither Tenant nor any other franchisee will be afforded such release in the event Tenant/such franchisee is the assignor, unless otherwise agreed by Landlord.

3. Tenant's Signage. Landlord agrees to allow Tenant to use Franchisor's standard interior and exterior signage and designs to the maximum extent permitted by local governmental authorities. Tenant will be provided, at Tenant's sole cost and expense, with a panel on any pylon/monument/directory sign for the development in which the Premises is located, and will be permitted to install a standard sign thereon approved by Franchisor, including without limitation Franchisor's logo. Landlord hereby grants and approves Tenant the right to display the Marks at the Premises, subject only to the provisions of applicable law.

4. Notice and Cure Rights to Franchisor. Prior to exercising any remedies hereunder (except in the event of imminent danger to the Premises), Landlord will give Franchisor written notice of any default by Tenant, and commencing on receipt thereof by Franchisor, Franchisor will have

fifteen (15) additional days to the established cure period as is given to Tenant under the Lease for such default to cure such defaults. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. The initial address for notices to Franchisor is as follows: TOHC Franchising, LLC, 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339, or such other address as Franchisor provides to Landlord.

5. Non-disturbance from Mortgage Lenders. It will be a condition of the Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agree not to disturb Tenant's rights under this Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations under the Lease and the Franchise Agreement, beyond an applicable grace or cure period.

6. Fixtures and Signage. Any lien of Landlord in Tenant's trade fixtures, 'trade dress', signage and other property at the Premises is hereby subordinated to Franchisor's interest in such items as described in the Franchise Agreement. On request, Landlord will grant the party who owns such property reasonable access to the Premises for the sole purpose of removing such property, provided such party repairs any damage caused by such removal and otherwise complies with Landlord's reasonable requirements with respect to such access.

7. Third Party Beneficiary. Franchisor is a third-party beneficiary of the terms of this Rider, or any other terms of the Lease applicable to Franchisor's rights under the Lease, and as a result thereof, will have all rights (but not the obligation) to enforce the same.

8. Franchisor Right to Enter. Landlord acknowledges and agrees that Franchisor or its designee may enter the Premises for all purposes permitted under the terms of the Franchise Agreement, including to inspect the Premises and the Restaurant's operations, to manage the Tenant's business, on Tenant's behalf, under certain circumstances (to-wit: Tenant's failure to timely cure its default of the Franchise Agreement, and while Franchisor evaluates its right to purchase the location), or to remove any trade fixtures or signage upon termination or expiration of the Franchise Agreement. If Franchisor enters the Premises for any such purposes, it will do so without assuming any liability under the Lease.

9. Amendments. Tenant agrees that neither the Lease nor this Rider may be amended by the parties thereto without the prior written consent of Franchisor.

10. Successors and Assigns. All rights of Franchisor shall inure to its benefit and to the benefit of its successors and assigns. Franchisor may assign its rights under this Rider to any designee. All provisions in this Rider applicable to Tenant and Landlord will be binding on any successor or assign of Tenant or Landlord under the Lease.

11. Execution. This Rider may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement with the Lease. This Rider and all other documents related to this Rider may be executed by manual or electronic signature.

[SIGNATURE PAGE TO FOLLOW]

AGREED and executed and delivered under seal by the parties hereto as of the day and year of the Lease.

LANDLORD: _____

TENANT: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT E
TO THE FRANCHISE AGREEMENT

PRE-AUTHORIZED DEBIT AGREEMENT

The undersigned depositor (“**Depositor**”) hereby authorizes **TOHC FRANCHISING LLC** (“**Franchisor**”) to initiate debit entries and/or credit correction entries to the undersigned’s checking and/or savings account(s) indicated below and the depository designated below (“**Depository**”) to debit such account pursuant to Franchisor’s instructions.

Depository: _____ Branch: _____

Address: _____ City, State, Zip Code: _____

Telephone Number: _____

Bank Transit/ABA Number: _____ Account Number: _____

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Depositor of the Depositor’s termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity on which to act. If an erroneous debit entry is initiated to Depositor’s account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if (a) within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or (b) forty-five (45) days after posting, whichever occurs first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

Depositor: _____ Depository: _____

By: _____ By: _____

Title: _____ Title: _____

Date: _____ Date: _____

EXHIBIT B-2

MULTI-UNIT OPERATOR AGREEMENT



THE ORIGINAL HOT CHICKEN
MULTI-UNIT OPERATOR AGREEMENT

MULTI-UNIT OPERATOR

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MULTI-UNIT OPERATOR AGREEMENT

THIS MULTI-UNIT OPERATOR AGREEMENT (the “**Agreement**”) is made and entered into by and between **TOHC FRANCHISING LLC**, a Delaware limited liability company, with its principal business address at 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we,**” “**us,**” or “**our**”), and _____, a _____ whose principal business address is _____ (“**you**” or “**your**”) as of the date signed by us on the signature page of this Agreement (the “**Effective Date**”).

1. BACKGROUND AND GRANT OF RIGHTS.

1A. BACKGROUND

(1) We and our affiliates have developed (and continue to develop and modify) a franchise system to establish, operate and promote distinctive restaurants featuring southern-style hot chicken tenders and sandwiches, chicken and waffles, and other products and services under the name “The Original Hot Chicken” (each a “**Restaurant**”).

(2) We grant franchises for Restaurants pursuant to a written franchise agreement and related agreements signed by us and a franchisee and its owners (each a “**Franchise Agreement**”), under which we grant the right to operate a Restaurant using the trademarks, service marks and other commercial symbols that we and our affiliates may create, use, and license to identify the Restaurant from time to time (collectively, the “**Marks**”).

(3) Restaurants will operate using distinctive and proprietary business formats, methods, procedures, designs, layouts, standards, and specifications, all of which we may improve, substitute, further develop, or otherwise modify from time to time (together, the “**Franchise System**”).

(4) We also grant certain qualified persons the right to acquire multiple franchises for the development and operation of Restaurants (the “**Development Rights**”) within a defined geographic area (the “**Development Area**”) pursuant to an agreed upon schedule for development and opening such Restaurant (the “**Development Schedule**”), and you have applied and been approved to acquire Development Rights pursuant to the terms of this Agreement.

1B. GRANT AND TERM OF DEVELOPMENT RIGHTS.

Subject to this Agreement’s terms, we grant you the Development Rights to acquire franchises for Restaurants in strict compliance with the Development Schedule attached as **Exhibit A**, exclusively within the Development Area specified on **Exhibit A**. Unless terminated under the terms of this Agreement, the term of this Agreement and your Development Rights (the “**Term**”) will begin on the Effective Date and continue through the earlier of (1) the date on which the last Restaurant which is required to be opened to satisfy the Development Schedule opens for regular business, or (2) the last day of the last development period (as set forth in **Exhibit A**).

You must at all times faithfully, honestly and diligently perform your obligations and fully exploit the Development Rights during the Term and throughout the entire Development Area. We have awarded you no right to use the Marks and/or Franchise System under this Agreement or in exercising your Development Rights. Any and all rights to use the Marks and/or Franchise System arise solely from the Franchise Agreements you sign to operate Restaurants.

1C. YOUR RIGHTS IN THE DEVELOPMENT AREA.

If we wish to offer a franchise for a traditional “The Original Hot Chicken” branded Restaurant in your Development Area at any time during the Term, we will first send you a notice of the proposed franchise development, and upon receiving such notice, you will have a right of first refusal to acquire a franchise for such Restaurant (your “**Right of First Refusal**”), provided that: (a) you notify us that you intend to exercise your Right of First Refusal within 15 business days after receiving our notice of the proposed development; (b) you and your affiliates have been in full compliance with this Agreement and all other agreements with us or our affiliates; (c) you meet all of our then-current criteria for new franchisees of Restaurants, including by having the financial resources to develop and operate the proposed Restaurant; (d) you sign our then-current franchise agreement for such Restaurant and pay any required fees under such franchise agreement within 14 business days after receiving our notice of the proposed development (or such later date as we may notify you is required to comply with applicable law); and (e) we have determined that the cost of developing the proposed Restaurant and payment terms under the franchise agreement for that Restaurant will not adversely affect the operation of your existing Restaurant developed under this Agreement. If you elect not to exercise your Right of First Refusal, or you do not meet the conditions specified above to exercise your Right of First Refusal, we may grant any other person the right to develop that franchised Restaurant in the Development Area on such terms as we approve in our sole discretion.

You acknowledge and agree that we have granted you the Development Rights under this Agreement and your Right of First Refusal in the Development Area exclusively conditioned on your satisfaction of the Development Schedule. Therefore, if you fail to comply with the Development Schedule as of the end of any development period, in addition to terminating this Agreement under Section 7 and asserting any other rights we have under this Agreement as a result of such failure, we may elect to terminate your Right of First Refusal granted under Section 1C or reduce the Development Area to a lesser area that we determine.

If your Development Area is comprised of one or more specified municipalities, then unless expressly indicate otherwise on **Exhibit A**, you understand and agree that we have approved each municipality in your Development Area for the development of one Restaurant. To that effect, after we approve a proposed site for a Restaurant under this Agreement, and you sign a Franchise Agreement for such Restaurant, such municipality will no longer be part of the Development Area. Rather, all territorial protection for such Restaurant will be governed by the terms of the Franchise Agreement that you execute.

1D. RESERVATION OF TERRITORIAL RIGHTS.

Other than your right to exercise your Development Rights within your Development Area, and your Right of First Refusal described above, you have no territorial protection of any kind, and we and our affiliates retain all rights with respect to the placement and development of Restaurants and other businesses using the Marks, the sale of the same, similar or dissimilar products and services, and any other business activities in any manner or in any location whatsoever, including, the right to:

- (1) establish and operate, and grant others the right to establish and operate, other Restaurants using the “The Original Hot Chicken” Marks and Franchise System, at any location, on such terms and conditions we deem appropriate, subject only to your Right of First Refusal;

(2) establish and operate, and grant others the right to establish and operate, any other type of business under trade names, trademarks, service marks and commercial symbols other than the “The Original Hot Chicken” brand, including the right to conduct any such business in connection with any Digital Brands, at any location, including in your Development Area, and including any restaurant business that may offer products and services which are identical to, similar to, or competitive with products and services offered by Restaurants;

(3) establish and operate, and grant others the right to establish and operate businesses and distribution channels other than a Restaurant, wherever such businesses or their customers are located, including in your Development Area, and including offering and selling products at retail or wholesale and/or through any Online Presence;

(4) establish and operate, and grant others the right to establish and operate any business, including any Restaurant or other business using the Marks and/or the Franchise System, at or through any nontraditional venues, including permanent, temporary, or seasonal facilities, ghost kitchen or virtual kitchen models, and/or in any captive or limited markets such as stadiums, entertainment or amusement parks, airports, malls, universities, commercial buildings, hospitals, special events, at any location, including in your Development Area;

(5) be acquired by or acquire (regardless of the form of transaction), any other business, including businesses that establishes or operates, or grants others the right to establish and operate businesses similar to, the same, or competitive with Restaurants, at any location; and in the event of such an acquisition, the acquirer and its affiliates will have the right to continue to such business, at any location, including in your Development Area; and

(6) engage in all other activities not expressly prohibited by this Agreement, at any location.

1E. IF YOU OPERATE AS A LEGAL BUSINESS ENTITY.

If you are a corporation, limited liability company, general or limited partnership or other form of legal business entity (collectively, an “**Entity**”) you agree and represent that **Exhibit B** to this Agreement presents complete and accurate information about such Entity as of the Effective Date. You also agree and represent that you are validly existing and in good standing under the laws of the state of your incorporation or formation, and have the authority to execute this Agreement, and perform your obligations under this Agreement. You agree to maintain organizational documents at all times that state that this Agreement restricts the issuance and transfer of any of your ownership interests, and all certificates and other documents representing your ownership interests will bear a legend referring to this Agreement’s restrictions.

You must identify one of your owners on **Exhibit B** who is a natural person with at least a ten percent (10%) ownership interest and voting power in you to act as your “**Principal Owner**” and supervise your business under this Agreement. You acknowledge and agree that your Principal Owner is authorized to deal with us on your behalf for all matters whatsoever that may arise with respect to your Development Rights and/or this Agreement. Any decision made by the Principal Owner will be final and binding on you and we will be entitled to rely solely on the decision of the Principal Owner without discussing the matter with any other party. We will not be held liable for any actions based on any decisions or actions of the Principal Owner. You represent and agree that the person acting as your Principal Owner has full power and authority to enter into this Agreement and any other documents to

which you are a party, and to make binding decisions on your behalf. The execution and delivery by your Principal Owner of this Agreement has been duly authorized by all requisite corporate action.

Each of your owners and their respective spouses must execute a guaranty in the form we prescribe, agreeing to be personally bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us and/or our affiliates. Our current form of guaranty is attached hereto as **Exhibit C**.

Your business under this Agreement and the operation of Restaurants under valid Franchise Agreements with us will be the only business that such Entity operates.

2. EXERCISE OF DEVELOPMENT RIGHTS.

2A. DEVELOPMENT SCHEDULE.

You agree to comply with the Development Schedule to: (i) obtain our acceptance of the site for each Restaurant and sign a Franchise Agreement for each such Restaurant (in accordance with Sections 2B and 2C below) by each deadline set forth on **Exhibit A**; (ii) obtain our approval of the proposed lease or acquisition agreement for the real property of the accepted site for each such Restaurant, and execute such approved lease or acquisition agreement, by each deadline set forth on **Exhibit A**; and (iii) develop and open each Restaurant in accordance with the terms of its respective Franchise Agreement, by each deadline set forth on **Exhibit A**. The Development Schedule is not our representation, express or implied, that the Development Area can support, or that there are or will be sufficient sites for, the number of Restaurants specified in the Development Schedule. We are relying on your representation that you have conducted your own independent investigation and have determined that you can satisfy the development obligations under the Development Schedule.

2B. PROPOSED SITES FOR RESTAURANTS .

You agree to give us all information and materials we request to assess each site at which you propose to develop a Restaurant, including your financial and operational ability to develop and operate a Restaurant at that site, and any letter of intent or other information about the proposed lease or acquisition of the real property of that site. We have the right to approve the site of each Restaurant before you sign any Franchise Agreement for that Restaurant and before that site will be deemed the site of any Restaurant. If we provide you any information regarding a site for a Restaurant, such information is not a representation or warranty of any kind (express, implied or collateral) of the site's suitability for a Restaurant or any other purpose. Our approval of your proposed site is not intended to be relied on by you as an indicator of likely success, but that we believe the site meets our then acceptable criteria, which we have established for our own purposes. Applying criteria that have appeared effective with other sites and premises might not accurately reflect the potential for all sites and premises, and demographic or other factors included in or excluded from our criteria could change, even after our approval of a site or your development of the Restaurant, altering the potential of a site. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site and premises we approve fails to meet your expectations. You acknowledge and agree that your selection of any site as for a Restaurant is based on your own independent investigation of the site's suitability.

2C. EXECUTION OF FRANCHISE AGREEMENTS.

Simultaneously with signing this Agreement, you must sign and deliver to us a Franchise Agreement for the first Restaurant you are obligated to develop under this Agreement. Thereafter, for each additional Restaurant that you develop by exercise of your Development Rights, prior to signing a lease or to otherwise securing possession of the site for that Restaurant or beginning to develop any Restaurant, you must sign our then-current form of Franchise Agreement, the terms of which may differ substantially from the terms contained in the Franchise Agreement in effect on the Effective Date. Each respective Franchise Agreement will govern the development and operation of the Restaurant at the site identified therein.

2D. APPROVED AFFILIATES

You may exercise your Development Rights for each Restaurant that you are required to develop under your Development Schedule either through yourself or an affiliate that we have approved. If we approve one of your affiliates to undertake your development obligation for any Restaurant, that affiliate must sign the Franchise Agreement for that Restaurant and take any and all other actions otherwise required of you for that Restaurant under this Agreement and/or that Franchise Agreement. Our approval of an affiliate of yours to develop a Restaurant will not relieve you of any of your obligations under this Agreement, except to the extent expressly assumed by such approved affiliate under the terms of the Franchise Agreement for that Restaurant. We may require you to guarantee the obligations of any approved affiliate under its Franchise Agreement using our then-current form of personal guaranty of Franchise Agreement. Other than as contemplated in this Section 2D, you may not delegate or assign any of your obligations under this Agreement other than in accordance with Article 6 of this Agreement.

2E. LIQUIDITY.

We have granted the Development Rights to you based, in part, on your representations to us, and our assessment of, your levels of liquidity as of the Effective Date. You will ensure that, throughout the Term, you will maintain sufficient liquidity to meet your obligations under this Agreement. We reserve the right to review these liquidity requirements from time to time, and you agree to comply with such minimum liquidity requirements that we reasonably impose.

2F. RECORDS AND REPORTING.

You agree to provide us with the following records and reports:

(1) within sixty (60) days after the Effective Date, a business plan covering your projected revenues, costs and operations under this Agreement. This business plan will include your detailed projections of costs for the development of Restaurants and detailed revenue projections for your activities under this Agreement and Restaurants . Within sixty (60) days after the start of each calendar year during the Term, you must update the business plan to cover both actual results for the previous year and projections for the then current year. You acknowledge and agree that, while we may review and provide comments on the business plan and any updates you submit to us, regardless of whether we approve, disapprove, require revisions or provide other comments with respect to the business plan or any updated business plan, we take no responsibility for and make no guarantees or representations, expressed or

implied, with respect to your ability to meet the business plan or to achieve the results set forth therein. You bear the entire responsibility for achievement of the business plan you develop;

(2) within fifteen (15) days after the end of each month during the Term, a report of your business activities during that month, including information about your efforts to find sites for Restaurants in the Development Area and the status of development and projected openings for each Restaurant under development;

(3) within fifteen (15) days after the end of each month, a profit and loss statement for you and your affiliates covering that month and the year-to-date, and a balance sheet as of such date; and

(4) within forty-five (45) days after the end of each calendar year, with an annual profit and loss statement and sources and use of funds statement for the previous calendar year and a balance sheet as of the end of that calendar year.

An officer must certify and sign each report and financial statement. We may disclose data derived from these reports, although we will not without your consent (unless required by law) disclose your identity in any materials that we circulate publicly.

Subject to applicable law, you agree to preserve and maintain all records in a secure location for at least five (5) years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, tax records and returns for sales, or similar taxes, cash receipts journals, cash disbursement journals, and general ledgers). We may require you to have audited financial statements prepared annually during the Term.

3. FEES.

3A. DEVELOPMENT FEE.

You agree to pay us a development fee for each Restaurant you commit to develop as part of your Development Schedule (the “**Development Fee**”). The amount of the Development Fee shall be: (i) \$25,000 for the first Restaurant you commit to develop and (ii) \$10,000 for the second and each subsequent Restaurant you commit to develop. The development fee will be paid on the Effective Date of this Agreement. The Development Fee will be credited towards the initial franchise fee you owe under each Franchise Agreement. The aggregate amount of the Development Fee you must pay to us is identified on **Exhibit A** of this Agreement.

3B. METHOD OF PAYMENT.

You must make all payments due under this Agreement in the manner we designate from time to time and you agree to comply with all of our payment instructions. All amounts that you owe us for any reason will bear interest accruing as of their original due date at the lesser of two percent (2%) per month or the maximum rate of interest permitted by law. You acknowledge that the foregoing sentence is not our agreement to accept any payments after they are due or our commitment to extend credit to you or finance the operation of your obligations. All amounts payable by you or your owners to us or our affiliates must be in United States Dollars (\$USD).

4. CONFIDENTIAL INFORMATION.

In connection with your Development Rights under this Agreement, you and your owners and personnel may from time to time be provided and/or have access to non-public information about the Franchise System and the operation of Restaurants (the “**Confidential Information**”), including: (1) training programs and materials; (2) the brand standards manual; (3) market research and marketing strategies, including expansion strategies and targeted demographics; (4) specifications for, suppliers of, and methods of ordering, products and services; (5) any software or technology which is proprietary to us or the Franchise System, including digital passwords and identifications and any source code of, and data and reports generated by the software or similar technology; (6) the operating results and financial performance of Restaurants (including Restaurants you develop); (7) customer data, such as customer names, addresses, telephone numbers, e-mail addresses, buying habits, preferences, demographic information and related information, and any other information contained from time to time in the Computer System; and (8) any other information designated as confidential or proprietary by us.

All Confidential Information will be owned by us. You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify under this Agreement or the Franchise Agreements you sign, in each case in accordance with the terms of such agreement. All Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you will protect it. You acknowledge that any unauthorized use or disclosure of Confidential Information would be an unfair method of competition and a breach of trust and confidence and will result in irreparable harm to us and our affiliates. You (and if you are conducting business as an Entity, each of your owners) therefore agree that during and after the Term you will, and to cause each of your respective spouses, immediate family members, affiliates, and assigns to:

- (a) not use the Confidential Information for any purpose other than the development and operation of Restaurants in accordance with this Agreement;
- (b) keep confidential and not disclose, sell, distribute, or trade the Confidential Information to any person other than those of your employees and representatives who need to know such Confidential Information for the purpose of assisting you in operating the Restaurant in accordance with this Agreement; and you agree that you will be responsible for any violation of this requirement by any of your representatives or employees;
- (c) not make unauthorized copies of any Confidential Information;
- (d) adopt and maintain reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including by establishing reasonable security and access measures, restricting its disclosure to key personnel, and/or by requiring persons who have access to the Confidential Information to execute a non-disclosure and non-competition that we approve; and
- (e) at our request, destroy or return any of the Confidential Information.

Confidential Information does not include information, knowledge, or know how, which is lawfully known to the public without violation of applicable law or an obligation to us or our affiliates.

We are not making any representations or warranties, express or implied, with respect to the Confidential Information. We and our affiliates have no liability to you and your affiliates for any errors or omissions from the Confidential Information.

All ideas, concepts, techniques, or materials relating to this Agreement, your Development Rights, and/or the Franchise System created by you, your owners or your employees (or for you, your owners or your employees), whether or not protectable intellectual property, must be promptly disclosed to us and will be our sole and exclusive property, part of the Franchise System, and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, you hereby waive all moral rights in that item, assign ownership of that item, and all related rights to that item, to us and agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item.

5. EXCLUSIVE RELATIONSHIP DURING TERM.

5A. COVENANTS AGAINST COMPETITION.

You acknowledge that we have granted you the Development Rights in consideration of and reliance on your agreement to deal exclusively with us. You (and if you are conducting business as an Entity, each of your owners) therefore agree not to and to cause each of your respective spouses, immediate family members, affiliates, and assigns not to:

- (a) have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, lessor, representative, or agent in any Competitive Business (as defined below), wherever located or operating (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);
- (b) perform services or act as a director, officer, manager, employee, consultant, lessor, representative, or agent for a Competitive Business, wherever located or operating; or
- (c) divert or attempt to divert any actual or potential business or customer of any Restaurant to a Competitive Business.

You agree to obtain similar covenants and covenants of confidentiality from your personnel as we specify, including officers, directors, managers and other employees attending our then-current training program or having access to Confidential Information. We have the right to regulate the form of agreement that you use and to be a third-party beneficiary of that agreement with independent enforcement rights.

The term “**Competitive Business**” means any business (excluding any Restaurants operated under a franchise agreement with us or our affiliate) operating, or granting franchises or licenses to others to operate, a restaurant or other food business deriving more than 15% of its revenue from the sale of: (i) chicken menu items or recipes, including chicken tenders, sandwiches, nuggets, or other chicken menu items or products; and/or (ii) any other products or services substantially similar to those products and services offered at your Restaurants.

5B. NON-INTERFERENCE.

During and after the Term, you (and if you are conducting business as an Entity, each of your owners) further agree not to, and to cause your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns not to solicit, interfere, or attempt to interfere with our or our affiliates' relationships with any customers, franchisees, lenders, vendors, or consultants.

5C. NON-DISPARAGEMENT.

During and after the Term, you (and if you are conducting business as an Entity, each of your owners) agree not to, and to cause your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns not to: (i) disparage or otherwise speak or write negatively, directly or indirectly, of us, our affiliates, any of our or our affiliates' directors, officers, employees, representatives or affiliates, the "The Original Hot Chicken" brand, any digital brand that is or was at any time during the Term activated at your Restaurants, the Franchise System, any Restaurant, any business using the Marks, or any other brand concept operated or franchised by us or our affiliates, or (ii) take any other action which would, directly or indirectly, subject any of the foregoing to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact or injure the goodwill of the Franchise System or the Marks.

6. TRANSFER.

6A. BY US.

You acknowledge that we maintain a staff to manage and operate the franchise system and that staff members can change as employees come and go. You acknowledge that you did not sign this Agreement in reliance on the continued participation by or employment of any of our shareholders, directors, officers, or employees. We may change our ownership or form of organization and/or assign this Agreement and any other agreement to a third party without restriction or your consent. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we will be released and will no longer have any obligations or liabilities under this Agreement. This Agreement and any other agreement will inure to the benefit of any transferee or other legal successor to our interest in it.

6B. BY YOU.

You acknowledge that the rights and duties under this Agreement creates are personal to you and your owners, and that we have granted you the franchise in reliance on our perception of your and your owners' individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, without our prior written approval, you may not transfer, pledge, or encumber, or attempt to transfer, pledge or encumber (including by listing any of the following for sale on any directory or listing), any of the following: (i) this Agreement (or any interest in this Agreement); (ii) your Development Rights (or any right to receive all or a portion of your profits or losses or capital appreciation); (iii) substantially all of the assets of the business you operate under this Agreement; or (iv) any direct or indirect ownership interest in you. A transfer of your Development Rights may only be made with a transfer of this Agreement and each of the Restaurants you have developed under this Agreement (in accordance with the terms of the Franchise Agreement for such Restaurants). Any transfer or attempt to transfer any of the foregoing (including by listing any of the following for sale

on any directory or listing) without our approval has no effect. In this Agreement, the term “**transfer**” includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition, including transfer by reason of merger, consolidation, issuance of additional securities, death, disability, divorce, insolvency, encumbrance, foreclosure, surrender or by operation of law. .

Notwithstanding anything in this Section 6B to the contrary, if you enter into this Agreement as an individual, if you are in full compliance with this Agreement, you may transfer this Agreement to an Entity in which you maintain management control, and of which you own and control 100% of the equity and voting power of all issued and outstanding ownership interests; provided, that (i) that Entity will own all of your assets, and will conduct all of your business under this Agreement, (ii) that Entity will conduct no business other than exercising your Development Rights and owning and operating Restaurants , (iii) that Entity must expressly assume all of your obligations under this Agreement, (iv) you provide us with all organizational documents for the Entity that we require, and (v) you reimburse us for any direct costs we incur in processing such transfer, including attorneys’ fees. You agree to remain personally liable under this Agreement as if the transfer to the Entity did not occur, including by signing a personal guaranty of the obligations of such entity. You must also sign the form of consent to assignment and assignment satisfactory to us which may include a release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our affiliates, and our and their owners, officers, directors, employees and agents.

6C. CONDITIONS FOR APPROVAL OF TRANSFER.

Subject to the other provisions of this Section 6, we will approve a transfer that meets all of the following requirements before or concurrently with the effective date of the transfer:

(1) you submit an application in writing requesting our consent and providing us all information or documents we request about the proposed transfer, transferee, and its owners that we request and each such person must have completed and satisfied all of our application and certification requirements;

(2) you provide us executed versions of any documents executed by you (or your owners) and transferee (and its owners) to effect the transfer, and all other information we request about the proposed transfer, and such transfer meets all of our requirements, including terms, closing date, purchase price, amount of debt and payment terms, and we have determined that the purchase price and payment terms of the transfer will not adversely affect the transferee’s operation of your Development Rights or Restaurant;

(3) you (and your owners) and the transferee (and its owners) sign all of the documents we are then requiring in connection with a transfer, in a form satisfactory to us, including: (i) a release of any and all claims (except for claims which cannot be released or waived pursuant to an applicable franchise law statute) against us and our affiliates and our and their owners, officers, directors, employees, and agents, and (ii) covenants that you and your transferring owners agree to satisfy all post-termination obligations under this Agreement;

(4) you and your owners have not violated any provision of this Agreement or any other agreement with us or our affiliates during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer, including that you are in full compliance with your Development Schedule and

have submitted all required reports and statements;

(5) you and your owners have satisfied all conditions to transfer your Restaurants under the terms of each applicable Franchise Agreement for such Restaurants, including transfer of any applicable real estate leases, vendor contracts, and transfer fees;

(6) the transferee must (if the transfer is of this Agreement or your Development Rights), sign our then-current form of multi-unit operator agreement and related documents, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement; provided, that the Development Schedule of the new multi-unit operator agreement will equal the remainder of the then-remaining Development Schedule of this Agreement;

(7) the transferee must (if the transfer is of an ownership interest in you or your owners), and/or any other parties that are direct or indirect owners of the transferee must (if the transfer is of this Agreement or your Development Rights), sign our then-current form of guaranty, agreeing to be personally bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us;

(8) other than for a transfer of a non-controlling interest in you, you pay us a transfer fee equal to fifty percent (50%) of the initial franchise fee we are then-charging new franchisees of Restaurants for each undeveloped Restaurant in your Development Schedule;

(9) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in your Development Rights or any Restaurant are subordinate to the transferee's obligation to amounts due to us, our affiliates, and otherwise to comply with this Agreement and each Franchise Agreement; and

(10) you provide us the evidence we reasonably request to show that appropriate measures have been taken to effect the transfer as it relates to the exercise of your rights under this Agreement, including, by transferring all necessary and appropriate business licenses, insurance policies, and material agreements, or obtaining new business licenses, insurance policies and material agreements.

We may review all information regarding your Development Rights and/or any Restaurant that you give the transferee, correct or supplement any information that we believe is inaccurate or incomplete, and give the transferee copies of any reports that you have given us.

Our consent to a transfer pursuant to this Section is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of your or the transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

6D. OUR RIGHT OF FIRST REFUSAL.

If you or any of your owners at any time decide to sell any of the following: (i) this Agreement (or any interest in this Agreement); (ii) your Development Rights (or any right to receive all or a portion of your profits or losses or capital appreciation); (iii) substantially all of the assets of the business you

operate under this Agreement; or (iv) any direct or indirect ownership interest in you, you agree to obtain a bona fide executed written offer, relating to the proposed transfer from a responsible and fully disclosed buyer and send to us a true and complete copy of that written offer. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to 5% or more of the offering price. We may also require you to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

- (1) we notify you or your selling owner(s) that we intend to purchase the interest within thirty (30) days after we receive a copy of the offer and all other information we request;
- (2) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);
- (3) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);
- (4) we will have an additional sixty (60) days to prepare for closing after notifying you of our election to purchase; and
- (5) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in any legal business entity, as applicable, including representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

We have the unrestricted right to assign any or all of this right of first refusal to a third party, who then will have the rights described in this Section 6D.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with Sections 6B above, and if you and your owners and the transferee comply with the conditions in Sections 6C above.

If you do not complete the sale to the proposed buyer within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal on the same terms as described above.

6E. YOUR DEATH OR DISABILITY.

On the death or disability of you (or if you are an Entity, any of your owners), such person's executor, administrator, conservator, guardian, or other personal representative must transfer such person's interest in this Agreement, your Development Rights, or ownership interest in you, to a third party (which may be such person's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed nine (9) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 6 (except that any transferee that is the spouse or immediate family member of the deceased, will not have to pay the transfer fee described in Section 6C(8) if the transfer meets all the other conditions in Section 6C, and the transferee reimburses us for any direct costs we incur in connection with documenting and otherwise processing such transfer, including reasonable attorneys' fees). The term "**disability**" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent such person from fulfilling such person's respective duties under this Agreement, as applicable.

In the event of the death of you (if you are an individual) or your Principal Owner (if you are an Entity), the deceased person's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager who we approve and who has completed our then-current training program to satisfy your obligations under the terms of this Agreement.

7. TERMINATION OF AGREEMENT.

7A. TERMINATION BY YOU – OUR BREACH.

You may terminate this Agreement if you and your owners are in full compliance with this Agreement and we materially fail to comply with this Agreement, and (i) we fail to correct the failure within thirty (30) days after you deliver written notice of the material failure to us, or (ii) if we cannot correct the failure within thirty (30) days, we fail to give you reasonable evidence of our effort to correct the failure within a reasonable time. Your termination under this Section 7A will be effective thirty (30) days after you deliver to us the written notice of termination.

7B. TERMINATION BY US – YOUR BREACH.

We may terminate this Agreement, effective immediately on delivery of written notice of termination to you, if:

- (1) you or any of your owners or affiliates have made or make any material misrepresentation or omission in acquiring or exercising your Development Rights;
- (2) you fail to satisfy any deadline in your Development Schedule;
- (3) you abandon your Development Rights, cease or threaten to cease exercising your Development Rights, or fail to make good faith progress in exercising your Development Rights, such that in our determination you will not be able to satisfy any applicable deadline in your Development Schedule;
- (4) you or any of your owners make or attempt to make any transfer in violation of Section 6;

(5) you or any of your owners are or have been convicted by a trial court of, or pleaded guilty or no contest to, an indictable or hybrid offense;

(6) you or any of your owners or affiliates knowingly make any unauthorized use or disclosure of any Confidential Information;

(7) you or any of your owners or your respective current and former immediate family members, affiliates, and each of their agents, employees, representatives, attorneys, successors, and assigns violate any of your or their obligations under Section 5 of this Agreement;

(8) you or any of your owners make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you or any of your owners consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property;

(9) your business or any of its assets are attached, seized, subjected to a writ or distress warrant, or levied on, unless the attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator is not vacated within thirty (30) days following the order's entry;

(10) your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation;

(11) you breach this Agreement on three (3) or more occasions within any twelve (12) consecutive month period whether or not you correct the failures; or

(12) you or your owners breach any other provision or obligation under this Agreement, or any other agreement between you or any of your owners or affiliates, and us or our affiliates, and such breach has not been cured within thirty (30) days after written notice from us.

If you terminate this Agreement other than according to Section 7A, the termination will be deemed a termination without cause and a breach of this Agreement.

8. RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION.

8A. DE-IDENTIFICATION.

Unless we expressly notify you in writing that we are waiving any of the requirements below in connection with the transfer of your Development Rights to another person (and in such case you agree to comply with our instructions regarding an orderly transition for such transfer and not take any actions in contravention of such instructions or transition), upon termination or expiration of this Agreement you and your owners must immediately:

(a) cease to directly or indirectly exercise your Development Rights or otherwise conduct any business under this Agreement, including searching for or soliciting or negotiating sites or leases for any Restaurant, or;

(b) cease to directly or indirectly use any Mark, any colorable imitation of a Mark, or any trade name, trade-mark, service mark or other commercial symbol that indicates or suggests a connection or association with us, in any manner or for any purpose (except in connection with other Restaurants you operate in compliance with the terms of a valid Franchise Agreement with us);

(c) cease to directly or indirectly identify yourself or your business as a current or former multi-unit operator or as one of our current or former franchise owners (except in connection with other Restaurants you operate in compliance with the terms of a valid Franchise Agreement with us) and take the action required to cancel or assign all fictitious or assumed name or equivalent registrations relating to your use of any Mark

(d) return to us or destroy (as we require) all items, forms and materials containing any Mark or otherwise identifying or relating to a Restaurant (except in connection with other Restaurants you operate in compliance with a valid Franchise Agreement with us), including copies of any and all Confidential Information; and

(e) comply with all other brand standards that we establish from time to time (and all applicable laws) in connection with the termination of development rights.

If you fail to take any of the actions or refrain from taking any of the actions described above, we may take whatever action and sign whatever documents we deem appropriate on your behalf to cure the deficiencies. You must reimburse us for all costs and expenses we incur in correcting any such deficiencies.

8B. COVENANT NOT TO COMPETE.

For two (2) years beginning on the effective date of termination or expiration of this Agreement, you (and if you are conducting business as an Entity, each of your owners) agree not to and to cause each of your respective spouses, immediate family members, affiliates, and assigns not to have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, lessor, representative, or agent in any Competitive Business located or operating (a) within the Development Area, or (b) within a 10-mile radius of any other Restaurant.

If any person restricted by this Section 8B fails to comply with these obligations as of the date of termination or expiration, the two (2) year restricted period for that person will commence on the date the person begins to comply with this Section 8B, which may be the date a court order is entered enforcing this provision. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section 8B will not deprive you of your personal goodwill or ability to earn a living.

The restrictions in this Section 8B will also apply after any transfer, to the transferor and its owners, for a period of two (2) years beginning on the effective date of the transfer, with the force and effect as though this Agreement had been terminated for such parties as of such date.

8C. CONTINUING OBLIGATIONS.

All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire. Without limiting the generality of the foregoing, the parties expressly acknowledge that each of the following provisions of this Agreement will survive the Agreement's expiration or termination: Section 4 (Confidential Information); Section 5B (Non-Interference); Section 5C (Non-Disparagement); Section 8 (Rights and Obligations Upon Termination or Expiration); Section 9 (Relationship of the Parties/Indemnification); and Section 10 (Enforcement).

9. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

9A. INDEPENDENT CONTRACTORS.

You and we understand and agree that each of us is an independent business and that you and we are and will be independent contractors. This Agreement does not create a fiduciary relationship between you and us, and nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously to all persons (including customers, suppliers, public officials, and Restaurant employees) as the sole owner and operator of your Development Rights and the business you conduct under this Agreement and indicate clearly that you operate your business separately and independently from our business operations. You agree to place notices of independent ownership on all interior and exterior signage, forms, business cards, stationery, advertising, and other materials that we may require from time to time. You may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in our name or on our behalf or represent that your and our relationship is anything other than franchisor and franchise owner.

We have no right or duty to direct your employees in the course of their employment for you. You are solely responsible for the terms and conditions of employment of your employees. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Restaurant's operation or the business you conduct under this Agreement.

9B. NO LIABILITY FOR ACTS OF OTHER PARTY.

We and you may not make any express, implied or collateral agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchise owner. We will not be obligated for any damages to any person or property directly or indirectly arising out of your Development Rights or the business you conduct under this Agreement.

9C. TAXES.

Any and all amounts expressed as being payable to us pursuant to this Agreement are exclusive of applicable taxes. Accordingly, if applicable, all payments by you to us will, in addition, include an amount equal to any and applicable taxes, assessments or amounts of a like nature imposed on any payments to be made pursuant to this Agreement. We will have no liability for any sales, occupation, excise, gross revenue, income, property, or other applicable taxes, whether levied on you or your Restaurant, due to the business you conduct (except for our income taxes). You are responsible for

paying these taxes and if we pay any taxes to any state or federal taxing authority on account of either your operation or payments that you make to us (except for our income taxes), or any expenses we incur in reviewing, paying or disputing such taxes, such amounts will be subject to indemnification under Section 9D.

9D. INDEMNIFICATION.

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assigns (the “**Indemnified Parties**”) against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of your Development Rights, the business you conduct under this Agreement, and/or your breach of this Agreement, including those alleged to be or found to have been caused by the Indemnified Party’s gross negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction.

For purposes of this indemnification, “**claims**” include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including reasonable accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at your expense (including choosing and retaining its own legal counsel) and agree to settlements or take any other remedial, corrective, or other actions.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination or purported rescission. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim for indemnity under this Section 9D. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover under this Section 9D.

10. ENFORCEMENT.

10A. MEDIATION.

Either party may initiate a mediation process by notifying the other party in writing. The parties agree to conduct the mediation in accordance with the then current Commercial Mediation Procedures of the American Arbitration Association (the “**AAA**”), except to the extent the rules conflict with this Agreement, in which case this Agreement shall control; however, the mediation need not be administered by the AAA unless the parties cannot agree upon the selection of a mediator within thirty days of the receipt of the written notice of mediation. If the parties cannot reach agreement upon the selection of a mediator, either party may commence a mediation proceeding by making a request for mediation to the AAA regional office closest to our (or our successor’s or assign’s, as applicable) then current principal place of business (currently, Atlanta, Georgia), with a copy to the other party. The written request for mediation shall describe with specificity the nature of the dispute and the relief sought. Both parties are obligated to engage in the mediation.

The mediation will be conducted by a single mediator with no past or present affiliation or conflict with any party to the mediation. The parties agree that the mediator will be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation. If the parties cannot agree on a mediator and the AAA administers the mediation, the AAA will provide the parties with a list of mediators willing to serve. The parties will have 10 days from receipt of the list from the AAA to agree upon a mediator from the list. If neither party advises the AAA in writing of an agreement within 10 days of receipt of such list, the AAA will appoint the mediator. The fees and expenses of the AAA (or other administrator), if applicable, and the mediator's fee, shall be shared equally by the parties. Each party will bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case. The mediation will occur within 30 days after selection of the mediator.

Regardless of which party initiates the mediation, the parties agree to conduct the mediation at a suitable location chosen by the mediator that is within 50 miles of our (or our successor's or assign's, as applicable) then current principal place of business (currently, Atlanta, Georgia). At least 7 days before the first scheduled session of the mediation, each party shall deliver to the mediator a concise written summary of its position with respect to the matters in dispute (such as claims or defenses) and such other matters required by the mediator.

The parties understand and agree that neither initiation nor completion of mediation contemplated by this Section is a condition precedent to either party's commencement or pursuit of other legal actions and remedies, including arbitration, as permitted under this Agreement.

10B. ARBITRATION.

All controversies, disputes, or claims between us or any of our affiliates (and our and their respective shareholders, officers, directors, agents, and employees), on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to: (1) this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates); (2) our relationship with you; (3) the scope or validity of this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court); or (4) your Development Rights, must be submitted for binding arbitration, on demand of either party, to the AAA. The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our (or our successor's or assign's, as applicable) then current principal place of business (currently, Atlanta, Georgia). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance, and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by us or our affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (we and you hereby waiving to the

fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

In any arbitration proceeding, each party will be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. Each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by any party.

ARBITRATION PROCEEDINGS WILL BE CONDUCTED ON AN INDIVIDUAL BASIS. NO ARBITRATION PROCEEDING MAY BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING, (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON BEHALF OF ANY PARTY BY ANY ASSOCIATION OR AGENT. Notwithstanding the foregoing, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute, controversy or claim that otherwise would be subject to arbitration under this Section, then all parties agree that this arbitration clause shall not apply to that dispute, controversy or claim and that such dispute, controversy or claim shall be resolved in a judicial proceeding in accordance with the provisions of this Agreement.

In any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute. The parties may only serve reasonable requests for documents, which must be limited to documents upon which a party intends to rely or documents that are directly relevant and material to a significant disputed issue in the case or to the case's outcome. The document requests shall be restricted in terms of time frame, subject matter and persons or entities to which the requests pertain, and shall not include broad phraseology such as "all documents directly or indirectly related to." No interrogatories or requests to admit shall be propounded, unless the parties later mutually agree to their use.

This Section is intended to benefit and bind certain third-party non-signatories. This Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

10C. GOVERNING LAW.

ALL MATTERS RELATING TO MEDIATION AND/OR ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER FEDERAL LAW, THIS AGREEMENT (OR ANY OTHER AGREEMENT BETWEEN US AND OUR AFFILIATES, AND YOU AND YOUR AFFILIATES), THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND

ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

10D. CONSENT TO JURISDICTION.

Subject to Section 10B above and the provisions below, we and you agree that all controversies, disputes, or claims between us or any of our affiliates (and our and their respective shareholders, officers, directors, agents, and employees), on the one hand, and you (and your owners, guarantors, affiliates, and employees), on the other hand, arising out of or related to this Agreement or any other agreement between you (or any of your owners) and us (or any of our affiliates) or our relationship with you must be commenced exclusively in state or federal court closest to our (or our successor's or assign's, as applicable) then-current principal place of business (currently, Atlanta, Georgia), and the parties irrevocably consent to the jurisdiction of those courts and waive any objection to either the jurisdiction of or venue in those courts. Nonetheless, the parties agree that any of us may enforce any arbitration orders and awards in the courts of the state in which you are or your business is located.

10E. COSTS AND ATTORNEYS' FEES.

The prevailing party in any dispute or proceeding shall be entitled to recover from the other party all damages, costs and expenses, including mediation, arbitration, and court costs and reasonable attorneys' fees, incurred by the prevailing party in connection with such dispute or proceeding.

10F. RIGHTS OF PARTIES ARE CUMULATIVE.

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

10G. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.

EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SECTION 9D, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING, BROUGHT BY EITHER OF US.

10H. INJUNCTIVE RELIEF.

Nothing in this Agreement, including the provisions of Section 10A and 10B, bars our right to obtain specific performance of the provisions of this Agreement and injunctive or other equitable relief against threatened conduct that will cause us, the Marks and/or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and injunctions. You agree that we may obtain such injunctive relief in addition to such further or other relief as may be available at law or in equity. You agree that we will not be required to post a bond to obtain injunctive relief and that your only remedy if an injunction is entered against you will be the

dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

10I. BINDING EFFECT.

This Agreement is binding on us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. This Agreement may not be modified except by a written agreement signed by both our and your duly-authorized officers.

10J. LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.

EXCEPT FOR CLAIMS ARISING FROM YOUR NON PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT (OR ANY OTHER AGREEMENT BETWEEN US AND OUR AFFILIATES, AND YOU AND YOUR AFFILIATES), THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN ONE (1) YEAR FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

WE AND YOU AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT.

NO PREVIOUS COURSE OF DEALING WILL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING WILL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT.

10K. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.

Except as expressly provided to the contrary in this Agreement, each provision of this Agreement is severable, and if any part of this Agreement is held to be invalid or contrary to or in conflict with any applicable present or future law, ordinance or regulation for any reason (in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction), that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law, ordinance, rule, or regulation of any jurisdiction requires more notice of this Agreement's termination or of our refusal to enter into a renewal franchise agreement than this Agreement requires, or some other action that this Agreement does not require, or any provision of this Agreement is invalid, unenforceable, or unlawful, the notice and/or other action required by the law, ordinance, rule or regulation will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

10L. WAIVER OF OBLIGATIONS.

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction on the other under this Agreement, effective on delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective on delivery of ten (10) days' prior written notice. We and you will not waive or impair any right, power, or option this Agreement reserves (including our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist on the other's compliance with this Agreement; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other multi-unit operators or franchise owners; the existence of multi-unit operator agreements which contain different provisions from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

The following provision applies if you or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin: No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10M. CONSTRUCTION.

The preambles and exhibits are a part of this Agreement which constitutes our and your entire agreement, and there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or your Development Rights. Any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement. Nothing in this or in

any related agreement, however, is intended to disclaim the representations we made in any Franchise Disclosure Document.

The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

Other than as expressly set forth herein, nothing in this Agreement is intended or deemed to confer any rights or remedies on any person or Entity not a party to this Agreement.

References in this Agreement to “we,” “us,” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term “**affiliate**” means any person or Entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. The term “**control**” means the power to direct or cause the direction of management and policies. The use of the term “**including**” in this Agreement, means in each case “including, without limitation.”

If two or more persons are at any time the owners of you or your Development Rights and other rights under this Agreement, whether as partners or joint venturers, or are your guarantors, their obligations and liabilities to us will be joint and several. References to “**owner**” mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and your Development Rights or an ownership interest in you), including any person who has a direct or indirect interest in you (or a transferee), this Agreement or your Development Rights and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. The term “**person**” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity.

11. DELEGATION OF PERFORMANCE.

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement. You must perform all of your obligations under this Agreement, and you may not subcontract or delegate any of those obligations to any third parties without our prior written approval.

12. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Agreement will be deemed to be delivered: (i) at the time delivered by hand, (ii) at the time delivered via electronic transmission, (iii) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery, or (iv) three (3) business days after placement in United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. Any notice must be sent to the party to be notified at its most current principal business address of which the notifying party has notice; except that, it will always be deemed acceptable to send notice to you at the address of any of your Restaurants .

Any required payment or report which we do not actually receive during regular business hours on the date due will be deemed delinquent.

13. PROHIBITED PARTIES.

You hereby represent and warrant to us, as an express consideration for the franchise granted hereby, that neither you nor any of your employees, agents, or representatives, nor any other person or entity associated with you, is now, or has been:

1. Listed on: (a) the U.S. Treasury Department’s List of Specially Designated Nationals, (b) the U.S. Commerce Department’s Denied Persons List, Unverified List, Entity List, or General Orders, (c) the U.S. State Department’s Debarred List or Nonproliferation Sanctions, or (d) the Annex to U.S. Executive Order 13224.
2. A person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or is owned or controlled by terrorists or sponsors of terrorism.

You further represent and warrant to us that you are now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by you to us or our affiliates are and will be legally obtained in compliance with these laws. You agree not to, and to cause all employees, agents, representatives, and any other person or entity associated with you not to, during the Term, take any action or refrain from taking any action that would cause such person or entity to become a target of any such laws and regulations.

14. EXECUTION.

This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same Agreement. This Agreement and all other documents related to this Agreement may be executed by manual or electronic signature.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement to be effective as of the Effective Date.

TOHC FRANCHISING LLC,
a Delaware limited liability company

Sign: _____
Name: _____
Title: _____

DATED: _____
(Effective Date of this Agreement)

MULTI-UNIT OPERATOR

**(IF YOU ARE A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):**

Entity Name

Signature

Name: _____

Title: _____

DATED: _____

MULTI-UNIT OPERATOR

**(IF YOU ARE AN INDIVIDUAL AND NOT
AN ENTITY):**

Signature

Print Name

DATED: _____

EXHIBIT A
TO THE MULTI-UNIT OPERATOR AGREEMENT

DEVELOPMENT AREA; DEVELOPMENT SCHEDULE; DEVELOPMENT FEE

The Development Area is: _____

The Development Schedule is:

Restaurant #	Site Approved & Franchise Agreement Signed	Lease Approved & Executed	Restaurant Opened for Business
1	_____	_____	_____
2	_____	_____	_____
3	_____	_____	_____
4	_____	_____	_____
5	_____	_____	_____

The aggregate Development Fee due under this Agreement is \$_____.

EXHIBIT B
TO THE MULTI-UNIT OPERATOR AGREEMENT

ENTITY INFORMATION

1. **Form.** You operate as a(n): ___ individual/sole proprietorship, ___ corporation, or ___ partnership (CHECK ONE).

2. **Formation:** You were formed on _____ (DATE), under the laws of the State of _____ (JURISDICTION).

3. **Management:** The following is a list of your directors, officers, managers or anyone else with a management position or title:

<u>Name of Individual</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____

4. **Owners.** The following list includes the full name of each individual who is one of your owners, or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary):

<u>Owner's Name</u>	<u>Percentage/Description of Interest</u>
_____	_____
_____	_____
_____	_____
_____	_____

5. **Principal Owner:** _____

EXHIBIT C
TO THE MULTI-UNIT OPERATOR AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (“Guaranty”) is given by the persons indicated below who have executed this Guaranty (each a “**Guarantor**”) to be effective as of the Effective Date of the Agreement (defined below).

In consideration of, and as an inducement to, the execution of that certain Multi-Unit Operator Agreement executed concurrently herewith (as amended, restated, or supplemented, the “**Agreement**”) by and between TOHC Franchising LLC (the “**Franchisor**”), and _____ (“**Multi-Unit Operator**”), each Guarantor hereby personally and unconditionally (a) guarantees to Franchisor, and its successor and assigns that Multi-Unit Operator will punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement, and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities.

Each Guarantor waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed, and (4) any right such Guarantor may have to require that an action be brought against Multi-Unit Operator or any other person as a condition of liability; and (5) the defense of the statute of limitations in any action hereunder or for the collection or the performance of any obligation hereby guaranteed.

Each Guarantor hereby consents and agrees that:

(a) Franchisor may proceed against any Guarantor and/or Multi-Unit Operator, jointly and severally, including by proceeding against Guarantor, without having commenced any action, or having obtained any judgment against any other Guarantor or Multi-Unit Operator. Guarantor hereby waives the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed;

(b) Guarantor will render any payment or performance required under the Agreement on demand if Multi-Unit Operator fails or refuses punctually to do so;

(c) Guarantor’s liability will not be contingent or conditioned on pursuit by Franchisor of any remedies against Multi-Unit Operator or any other person;

(d) Guarantor’s liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Multi-Unit Operator or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement;

(e) Guarantor is bound by the restrictive covenants, confidentiality provisions, and indemnification provisions contained in the Agreement, and any and all provisions that by their terms apply to owners of Multi-Unit Operator;

(f) At Franchisor's request, Guarantor agrees to provide the updated financial information to us as may be reasonably necessary to demonstrate his or her ability to satisfy the obligations of the franchise owners under the Agreement;

(g) This Guaranty will continue unchanged by the occurrence of any bankruptcy with respect to Multi-Unit Operator or any assignee or successor of Multi-Unit Operator or by any abandonment of the Agreement by a trustee of Multi-Unit Operator. Neither Guarantor's obligations to make payment or render performance in accordance with the terms of this Guaranty nor any remedy for enforcement will be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Multi-Unit Operator or its estate in bankruptcy or of any remedy for enforcement;

(h) Guarantor agrees to pay all costs and expenses (including attorneys' fees) incurred by Franchisor or any of its affiliates in connection with the enforcement of this Guaranty, including any collection or attempt to collect amounts due, or any negotiations relative to the obligations hereby guaranteed; and

(i) Guarantor agrees to be personally bound by the dispute resolution provisions under Article 10 of the Agreement, including the obligation to submit to binding arbitration the claims described in Section 10B of the Agreement in accordance with its terms.

By signing below, the undersigned spouse of each Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty. Each Guarantor represents and warrants that, if no signature appears below for such Guarantor's spouse, such Guarantor is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Multi-Unit Operator (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries or otherwise, for so long as such delinquency exists, subject to applicable law.

This Guaranty is binding upon each Guarantor and its respective executors, administrators, heirs, beneficiaries, and successors in interest.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has affixed his signature to be effective as of the Effective Date.

GUARANTOR(S)	SPOUSE(S)
Name: _____ Sign: _____ Address: _____ _____ _____	Name: _____ Sign: _____ Address: _____ _____ _____
Name: _____ Sign: _____ Address: _____ _____ _____	Name: _____ Sign: _____ Address: _____ _____ _____
Name: _____ Sign: _____ Address: _____ _____ _____	Name: _____ Sign: _____ Address: _____ _____ _____

EXHIBIT B-3

DIGITAL BRAND RIDER

**DIGITAL BRAND RIDER
TO FRANCHISE AGREEMENT**

THIS DIGITAL BRAND RIDER is entered into as of the date of our signature on the signature page (the “**Rider Date**”), by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we,**” “**us,**” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. Background. We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) under which we granted you the right to operate a “The Original Hot Chicken” restaurant located at _____ (the “**Restaurant**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because you have a desire to offer certain products and services associated with the Digital Brand(s) (identified below) at your Restaurant.

2. Grant. We hereby grant you to the right to fulfill virtual or digital orders for the following Digital Brands at your Restaurant in accordance with the terms and conditions of the Franchise Agreement and this Rider:

- _____
- _____
- _____

3. Digital Brand Fees. On or prior to the Rider Date, you must pay us a digital brand fee in the amount of \$5,000 per Digital Brand you elect to operate at your Restaurant (the “**Digital Brand Fee**”). The Digital Brand Fee must be paid by wire transfer of immediately available funds to an account we designate, or by any other method we specify. The Digital Brand Fee is fully earned by us when paid and is not refundable. Additionally, if we approve any transfer of your Restaurant and/or any successor or renewal franchise for your Restaurant, in addition to any other transfer or renewal fee you must pay under Section 13C and 14 of the Franchise Agreement, respectively, you must pay us an amount equal to 50% of our then-current Digital Brand Fee for each Digital Brand.

4. Operations. You are solely responsible for obtaining, at your cost, any inventory, equipment, supplies or Operating Assets that you will require to offer any Digital Brand in accordance with our Brand Standards. You must operate each Digital Brand in accordance with all of our Brand Standards, as modified from time to time. You agree that the terms of the Franchise Agreement will in all respects apply to your offer and sale of products or services associated with the Digital Brands and any and all other operations of the Digital Brands. Without limiting the foregoing, from and after the Rider Date, you acknowledge and agree that all references to: (i) “your Restaurant” will include all operations of each Digital Brand offered from the Premises; (ii) the “Marks” will include any trademarks, service marks and other commercial symbols used to identify any Digital Brand; (iii) the “Franchise System” will include our formats, systems, methods, procedures, designs, specifications and standards for operating Digital Brands; (iv) “Gross Sales” includes any revenue or consideration of any kind derived from your sale of products or services of any kind associated with any Digital Brand; (v) “Brand Standards” will include any mandatory specifications, standards, operating procedures or rules we establish for Digital Brands generally or at your Restaurant; and (vi) “Franchise System Website” will include any website or other Online Presence associated with any Digital Brands.

5. Digital Brand Training. Prior to activating any Digital Brand(s) at your Restaurant, your Key Personnel must first complete all training we then-require for such Digital Brand(s) to our satisfaction (“**Digital Brand Training**”). Other than the Digital Brand Fee described above, and reimbursement of our expenses for on-site training if applicable, we do not charge any additional fee for our standard Digital Brand Training; however, if you request additional or special training (and we agree to provide it, as we determine appropriate), and/or we determined that your Key Personnel requires additional or special training after completion of our Digital Brand Training, we may charge our then-current training fee for any additional or special training that we provide. We will provide the Digital Brand Training at the times and locations we determine. We may vary the Digital Brand Training based on the experience and skill level of the individual(s) attending. If any of your Key Personnel fail to successfully complete the Digital Brand Training to our satisfaction, we may disapprove you to offer such Digital Brand, and/or revoke any prior approval we have granted for such Digital Brand. If you appoint a new Approved Manager to supervise your Restaurant at any time, or your Principal Owner changes at any time, he or she must attend the then-current Digital Brand Training within 30 days of appointment, in addition to any other training required under the Franchise Agreement, and you must pay our then-current training fee for such attendance.

6. Local Marketing. We may increase the required Local Advertising Expenditure if you offer Digital Brands, subject to the Maximum Advertising Expenditure. We may also set Brand Standards for the percentage of your Local Advertising Expenditure that you must spend on promoting the “The Original Hot Chicken” brand versus any one or more Digital Brands.

7. Protected Territory. Notwithstanding anything to the contrary, any limitation on our ability to establish or operate or authorize any other person to establish or operate a Restaurant in your Protected Territory under Section 1D of the Franchise Agreement or otherwise will be limited to “The Original Hot Chicken” restaurants. Without limiting the foregoing, you agree that regardless of whether you offer one or more Digital Brands, there will be no territorial protection of any kind for you associated with such Digital Brand(s), or any limitation of any kind on any activity that we establish or conduct, or grant any other person the right to establish or conduct, for a Digital Brands in any location, including in your Protected Territory.

8. Non-Competition. For the duration of the time that you offer any Digital Brand (including any period of time when such Digital Brand may have been temporarily suspended, up to 120 days), and thereafter for a period equal to the shorter of: (i) the same length of time you offered such Digital Brand (including any period of time when such Digital Brand may have been temporarily suspended, up to 120 days); or (ii) two (2) years from the date such Digital Brand was permanently deactivated, you agree that the definition of Competitive Business in the Franchise Agreement will include any business (excluding any Restaurants operated under a franchise agreement with us or our affiliate) operating, or granting franchises or licenses to others to operate, a restaurant or other food business deriving more than 15% of its revenue from the sale of any products or services substantially similar to those products and services offered in connection with such Digital Brand.

9. Deactivation. Unless we have made any Digital Brand a mandatory offering pursuant to the terms of the Franchise Agreement, you may deactivate any Digital Brand at any time with prior written notice to us. Additionally, without limiting any other right of ours under this Rider or the Franchise Agreement, you understand and agree that we have the right to deactivate, disapprove, or suspend any Digital Brand at your Restaurant at any time and for any reason, and you must immediately cease offering and selling such Digital Brand upon notice from us. If any Digital Brand is deactivated

or disapproved, for any reason, you must comply with our Brand Standards for winding-down, including specifications for disposing of or otherwise handling any proprietary inventory.

10. **Release.** Each of the undersigned parties, on its own behalf and on behalf of its successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, managers, directors, officers, principals, employees, and affiliated entities (collectively, the “**Releasing Parties**”), hereby forever release and discharge us and our current and former officers, directors, owners, managers, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “**Released Parties**”) from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “**Claims**”) that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Released Parties, including without limitation, (1) arising out of or related to the Released Parties’ obligations under this Rider or the Franchise Agreement, or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Released Parties. Each of the undersigned parties, on its own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by this paragraph and represent that it has not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

IF THE RESTAURANT YOU OPERATE UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR ANY OF THE RELEASING PARTIES IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE FRANCHISOR PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE FRANCHISOR PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE

MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Restaurant you operate under the Franchise Agreement is located in Maryland or if any of the Releasing Parties is a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

If the Restaurant you operate under the Franchise Agreement is located in Washington or if any of the Releasing Parties is a resident of Washington, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Washington Franchise Investment Protection Act.

11. Miscellaneous. Capitalized terms not defined herein shall have the meanings ascribed to them in the Franchise Agreement. In the event of any conflict between the terms of the Franchise Agreement and the terms of this Rider, the terms of this Rider shall control. This Rider may be executed in one or more counterparts, each of which shall be deemed a duplicate original of one and the same agreement. This Rider may be executed by electronic means.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the date stated below.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Dated*: _____

Dated: _____

**The Rider Date*

EXHIBIT B-4

SAMPLE GENERAL RELEASE

TOHC FRANCHISING LLC

GRANT OF FRANCHISOR CONSENT AND RELEASE

TOHC Franchising LLC (“we,” “us,” or “our”) and the undersigned franchisee (“you” or “your”), currently are parties to a certain franchise agreement (the “Franchise Agreement”) dated _____, 20____ (the “Agreement”). You have asked us to take the following action or to agree to the following request: _____

_____. We have the right under the Agreement to obtain a general release from you and your owners as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you and your owners give us the release and covenant not to sue provided below in this document. You and your owners are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Each of the undersigned parties, on its own behalf and on behalf of its successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, managers, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our current and former officers, directors, owners, managers, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “Released Parties”) from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”) that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Released Parties, including without limitation, (1) arising out of or related to the Released Parties’ obligations under the Agreement, or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Released Parties.

Each of the undersigned parties, on its own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Released Parties on any of the Claims released by this paragraph and represent that it has not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

IF THE FRANCHISE YOU OPERATE UNDER THE AGREEMENT IS LOCATED IN CALIFORNIA OR ANY OF THE RELEASING PARTIES IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE FRANCHISOR PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE,

OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE FRANCHISOR PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the franchise you operate under the Agreement is located in Maryland or if any of the Releasing Parties is a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

If the franchise you operate under the Agreement is located in Washington or if any of the Releasing Parties is a resident of Washington, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Washington Franchise Investment Protection Act.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the date stated below.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Dated: _____

Dated: _____

OWNERS:

Signature

Print Name

Signature

Print Name

EXHIBIT B-5

REPRESENTATIONS STATEMENT

REPRESENTATIONS STATEMENT

DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE LOCATED, OR YOUR FRANCHISED BUSINESS WILL BE LOCATED IN CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

The purpose of this Statement is to demonstrate to TOHC Franchising LLC (“Franchisor”) that the person(s) signing below (“I,” “me” or “my”), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of a franchise to operate as a The Original Hot Chicken® restaurant is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor’s Franchise Disclosure Document and Exhibits (collectively, the “FDD”) in deciding to purchase the franchise. In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables such as my skills and abilities (and those of my partners, officers, employees), the time I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the market place generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD at least 14 calendar days before I executed a Franchise Agreement, or paid Franchisor or its affiliates any fees. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these agreements and only in these agreements. I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Neither the Franchisor nor any of its affiliates, officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.	INITIAL:
My decision to purchase the franchise has not been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise.	INITIAL:
I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.	INITIAL:

PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED.

INITIAL:

Have you received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success)?

Yes No (Initial Here: ____)

If you selected "Yes," please describe the information you received on the lines below:

FRANCHISE OWNER

FRANCHISE OWNER

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

(IF YOU ARE AN INDIVIDUAL):

Entity Name

Individual Name

Sign: _____
Name: _____
Title: _____

Sign: _____

DATED: _____

DATED: _____

EXHIBIT C

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EXHIBIT D
FINANCIAL STATEMENTS

INTERIM FINANCIAL STATEMENTS

TOHC Franchising LLC
Balance Sheet
As of October 31, 2023

Accrual Basis

	<u>Oct 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
Chase Bank	102,000
Total Checking/Savings	<u>102,000</u>
Total Current Assets	<u>102,000</u>
TOTAL ASSETS	<u>102,000</u>
LIABILITIES & EQUITY	
Equity	
Members Equity	250,000
Members Draw	142,900
Net Income	-290,900
Total Equity	<u>102,000</u>
TOTAL LIABILITIES & EQUITY	<u>102,000</u>

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OR HER OPINION WITH REGARD TO THEIR CONTENTS OR FORM.

TOHC Franchising LLC
Profit & Loss

Accrual Basis

June through October 2023

	<u>Jun - Oct 23</u>
Ordinary Income/Expense	
Income	
Franchising Fee	45,000
Total Income	<u>45,000</u>
Gross Profit	45,000
Expense	
Marketing	2,706
Legal Fees	258,574
Contract Labor	74,620
Total Expense	<u>335,900</u>
Net Ordinary Income	<u>-290,900</u>
Net Income	<u><u>-290,900</u></u>

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TOHC Franchising LLC
Statement of Cash Flows
June through October 2023

	<u>Jun - Oct 23</u>
OPERATING ACTIVITIES	
Net Income	-290,900
Net cash provided by Operating Activities	-290,900
FINANCING ACTIVITIES	
Members Equity	250,000
Members Draw	142,900
Net cash provided by Financing Activities	392,900
Net cash increase for period	102,000
Cash at end of period	<u>102,000</u>

THESE FINANCIAL STATEMENTS WERE PREPARED WITHOUT AN AUDIT. INVESTORS IN OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OR HER OPINION WITH REGARD TO THEIR CONTENTS OR FORM.

AUDITED FINANCIAL STATEMENTS

TOHC Franchising LLC

Financial Report
May 31, 2023

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Independent Auditor's Report

To the Member
TOHC Franchising LLC

Opinion

We have audited the financial statements of TOHC Franchising LLC (the "Company"), which comprise the balance sheet as of May 31, 2023 and the related statements of operations, member's equity, and cash flows for the period from March 15, 2023 through May 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of May 31, 2023 and the results of its operations and its cash flows for the period from March 15, 2023 through May 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

To the Member
TOHC Franchising LLC

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.

Plante & Moran, PLLC

September 14, 2023

Balance Sheet

May 31, 2023

Current Assets - Cash	\$ 250,000
	<hr/>
	Liabilities and Member's Equity
Liabilities	\$ -
Member's Equity	<hr/> 250,000
	<hr/>
Total liabilities and member's equity	\$ 250,000

Statement of Operations

Period from March 15, 2023 through May 31, 2023

Operating Income	\$ -
Net Income	\$ -

Statement of Member's Equity

Period from March 15, 2023 through May 31, 2023

Balance - March 15, 2023	\$	-
Net income		-
Contributions		<u>250,000</u>
Balance - May 31, 2023	\$	<u>250,000</u>

Statement of Cash Flows

Period from March 15, 2023 through May 31, 2023

Cash Flows Provided by Financing Activities - Contributions	<u>\$ 250,000</u>
Net Increase in Cash	250,000
Cash - Beginning of period	<u>-</u>
Cash - End of period	<u><u>\$ 250,000</u></u>

Note 1 - Nature of Business

TOHC Franchising LLC (the "Company") is a limited liability company formed in January 2023 and is a wholly owned subsidiary of TOHC Strategic Company LLC (the "Parent"). The Company was formed through a cash contribution of equity from the Parent in the amount of \$250,000. The Company is engaged in franchising The Original Hot Chicken and Inked Tacos food concepts and operates under these names and the related trademarks (the "Marks"). Under a licensing agreement with TOHC IP LLC, an entity related through common ownership, the Company has a limited nonexclusive right to use the Marks in connection with its operations. The Company has not signed any franchise agreements; however, it is actively pursuing new franchisee opportunities. The Company's activities are subject to risks and uncertainties, including failure to sign new franchise agreements.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Company have been prepared on the basis of generally accepted accounting principles in the United States of America (GAAP). The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The Company's ultimate parent company files income tax returns in U.S. federal and various state jurisdictions.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 14, 2023, which is the date the financial statements were available to be issued.

EXHIBIT E-1
LIST OF CURRENT FRANCHISEES

Franchisees in the System as of 5/31/23

None

Franchisees Who Signed But Not Yet Opened

As of 5/31/23

	Franchisee	Address	City	State	Phone Number
1.	MAARS Foods LLC 1*	4001 Mega Energy Drive	Houston	TX	(832) 538-1432

*This franchise agreement was signed after the end of our most recent fiscal year.

EXHIBIT E-2
LIST OF FORMER FRANCHISEES

Franchisees that Left the System during the Fiscal Year ended 5/31/23, or who have not communicated with us in the 10 weeks prior to the issuance date of the FDD:

None

EXHIBIT F
STATE RIDERS AND ADDENDA

STATE ADDENDA

ADDITIONAL DISCLOSURES FOR THE FRANCHISE DISCLOSURE DOCUMENT OF TOHC FRANCHISING LLC

The following are additional disclosures for the Franchise Disclosure Document of TOHC Franchising, LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise law applies to you.

FOR THE FOLLOWING STATES: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

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

CALIFORNIA

1. 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.
2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.
3. Neither we, our parent, predecessor or affiliate nor any person in Item 2 of the Franchise 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 Sections 78a et seq., suspending or expelling such persons from membership in that association or exchange.
4. Our websites, www.oghotchicken.com, and www.experiential-brands.com have not been reviewed or approved by the California Department Of Financial Protection & Innovation. Any complaints concerning the content of the websites may be directed to the California Department Of Financial Protection & Innovation at www.dfpi.ca.gov.
5. The following paragraph is added at the end of Item 6:

The highest rate of interest allowed by California law is 10% annually.

6. The following paragraphs are added at the end of Item 17:

The Franchise Agreement and Multi-Unit Operator Agreement require you to sign a general release of claims upon renewal or transfer of the Franchise Agreement or Multi-Unit Operator

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 thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement or Multi-Unit Operator Agreement contain a provision that is inconsistent with the law, and the law applies, the law will control.

The Franchise Agreement and Multi-Unit Operator Agreement contain a covenant not to compete that extends beyond termination of the franchise. This provision might not be enforceable under California law.

The Franchise Agreement and Multi-Unit Operator Agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A Section 101 et seq.).

The Franchise Agreement and Multi-Unit Operator Agreement require binding arbitration. The arbitration will be conducted at a suitable location chosen by the arbitrator which is within a 50 mile radius of our then current principal place of business (currently Atlanta, Georgia) with the costs being borne as provided in the Franchise Agreement and Multi-Unit Operator Agreement.

Prospective operators and franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement and Multi-Unit Operator Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement and Multi-Unit Operator Agreement require application of the laws of Delaware. This provision might not be enforceable under California law.

Under the Franchise Agreement, we reserve the right to require that franchisees comply with maximum and minimum prices it sets for goods and services. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the California's Cartwright Act (Cal. Bus. and Prof. Code §§ 16700 to 16770).

Section 31512.1 of the California Corporations Code requires that any provision of the Franchise Agreement, Disclosure Document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable: (a) representations made by the franchisor or its personnel or agents to a prospective franchisee; (b) reliance by a franchisee on any representations made by the franchisor or its personnel or agents; (c) reliance by a franchisee on the franchise

disclosure document, including any exhibit thereto; or (d) violations of any provision of this division.

GEORGIA

1. The company selling a business opportunity or the seller shall collect no more than 15 percent of the purchase price. The balance of the purchase price shall be paid into an escrow account, established with a bank or an attorney, which is agreed upon by both parties. The balance in escrow shall be paid to the company 60 days after the date the purchaser commences operation of the business or upon complete compliance with the terms of the contract, whichever happens first.
2. If the company fails to deliver the product, equipment, or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the company in writing and demand that the contract be cancelled.

ILLINOIS

The following paragraphs are added to the end of Item 17:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern the Franchise Agreement and Multi-Unit Operator Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

MARYLAND

1. The following paragraph is added to the end of Item 5 and 7:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

2. The following language is added at the end of Item 17.

The Franchise Agreement and Multi-Unit Operator Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.) but we will enforce it to the extent enforceable.

3. The following is added to the end of Item 17(c) and Item 17(m):

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

4. The following language is added at the end of Item 17(v):

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA

1. The following is added at the end of the chart in Item 6:

The Item 6 line item entitled “Lost Revenue Damages will not be enforced to the extent prohibited by applicable law.

2. The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and Multi-Unit Operator Agreement and 180 days' notice for non-renewal of the Franchise Agreement and Multi-Unit Operator Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibits us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring the operator or franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document, Multi-Unit Operator Agreement or Franchise Agreement can abrogate or reduce any of operator's or franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or operator's or franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

The Limitations of Claims sections of the Franchise Agreement and Multi-Unit Operator Agreement must comply with Minnesota Statute 80C.17 Subd. 5.

NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN

THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

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

2. The following is added at the end of Item 3:

With regard to us, our parent, predecessor or affiliate, the persons identified in Item 2, or an affiliate offering franchises under our principal trademark:

- A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antitrust, or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; or unfair or deceptive practices; or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither we, our affiliate, predecessor, officers, or general partners or any other individual who will have management responsibility relating to the sale or operation of franchises offered by this Disclosure Document have, during the 10-year period immediately preceding the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under

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

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

We apply the initial franchise fee to defray our costs for site review and approval, sales, legal compliance, salary, and general administrative expenses and profits.

5. The following is added to Item 17:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following is added to Item 17(d):

You may terminate the Franchise Agreement and Multi-Unit Operator Agreement on any grounds available by law.

7. The following is added to Item 17(j)

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and financially able to assume our obligations under the Franchise Agreement or Multi-Unit Operator Agreement.

8. The following is added to Item 17(v) and 17(w):

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

NORTH CAROLINA

1. If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

NORTH DAKOTA

1. The following is added at the end of the chart in Item 6:

The Item 6 line item entitled “Lost Revenue Damages will not be enforced to the extent prohibited by applicable law

2. The following paragraph is added to the end of Item 5 and 7:

Based upon the franchisor's financial condition, the North Dakota Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

3. The following is added to the end of Item 17(c) and Item 17(m):

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

4. The following is added to the end of Item 17(r):

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we and you will enforce the covenants to the maximum extent the law allows.

5. The following is added to the end of Item 17(u):

To the extent required by the North Dakota Franchise Investment Law (unless such requirement is preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

6. The following is added to the end of Item 17(v):

However, subject to your mediation and arbitration obligations, to the extent required by North Dakota Franchise Investment Law, you may bring an action in North Dakota.

7. Item 17(w) is deleted and replaced with the following:

Except as otherwise required by North Dakota law, the laws of the State of Delaware shall apply.

RHODE ISLAND

1. The following language is added to the end of Item 17(v) and 17(w):

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. To the extent required by applicable law Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.”

SOUTH CAROLINA

1. If the seller fails to deliver the product, equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

SOUTH DAKOTA

1. The following paragraph is added to the end of Item 5 and 7:

The South Dakota Department of Labor & Regulation’s Division of Securities requires us to defer payment of the initial franchise fee and other initial payments you owe us until your franchise is operational.

VIRGINIA

1. The following language is added to the end of the Special Risk Factors page:

Estimated Initial Investment. You will be required to make an estimated initial investment ranging from \$215,256 to \$697,911. This amount exceeds the franchisor's stockholders' equity as of May 31, 2023, which is \$250,000.

2. The following language is added to the end of 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 grounds for default or termination stated in the Franchise Agreement or Multi-Unit Operator 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.

WASHINGTON

1. The following paragraph is added at the end of Item 17:

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including 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.

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.

The Securities Division of the State of Washington Department of Financial Institutions requires the following language:

A release or waiver of rights executed by a franchisee 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.

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

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.

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 FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
MULTI-UNIT OPERATOR AGREEMENT**

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN GEORGIA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”). This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because you are located in the State of Georgia, or your Development Area is located in Georgia.

2. **INITIAL FEES.** The following paragraph is added at the end of Section 3.A of the Multi-Unit Operator Agreement:

We will not collect more than 15% of the purchase price that you pay us for any Restaurant franchise. The balance of the purchase price will be paid into an escrow account, established with a bank or an attorney, which you and we agree on. The balance in escrow will be paid to us 60 days after the date that your Restaurant commences operation, or the date we have fully complied with our pre-opening obligations to you under this Agreement and the applicable Franchise Agreement, whichever happens first.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) you are domiciled in the State of Illinois, or (b) the offer of the franchise is made or accepted in the State of Illinois and the Restaurant(s) that you develop under your Multi-Unit Operator Agreement are or will be located in the State of Illinois.

2. **ILLINOIS FRANCHISE DISCLOSURE ACT.** The following language is added to the end of the Multi-Unit Operator Agreement:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern this Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a multi-unit operator agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a multi-unit operator agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a multi-unit operator agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland; or (b) the Restaurants that you develop under your Multi-Unit Operator Agreement are or will be operated in the State of Maryland; or (c) the offer to sell is made in the State of Maryland; or (d) the offer to buy is accepted in the State of Maryland.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 3 of the Multi-Unit Operator Agreement:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

3. **RELEASES.** The following is added to the end of Section 6.C(3) of the Multi-Unit Operator Agreement:

Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **INSOLVENCY.** The following is added to the end of Section 7.B(8) of the Multi-Unit Operator Agreement:

The provision which provides for termination upon your bankruptcy might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

5. **CONSENT TO JURISDICTION.** Section 10.D of the Multi-Unit Operator Agreement is supplemented by adding the following to the end of the Section:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **ARBITRATION.** Section 10.B of the Multi-Unit Operator Agreement is supplemented by adding the following to the end of the Section:

A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

7. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of the first paragraph of Section 10.J of the Multi-Unit Operator Agreement:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

8. **RELEASES.** The Multi-Unit Operator Agreement is further amended to state that “all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20__ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) the Restaurant(s) that you will develop under the Multi-Unit Operator Agreement will be operated wholly or partly in the State of Minnesota; and/or (b) you either a resident of, domiciled in, or actually present in the State of Minnesota.

2. **RELEASES.** The following is added to the end of Section 6.C(3) of the Multi-Unit Operator Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **TERMINATION.** The following is added to the end of Section 7.B of the Multi-Unit Operator Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

4. **INJUNCTIVE RELIEF.** The following language is added to the end of Section 10.H of the Multi-Unit Operator Agreement:

Notwithstanding the foregoing, a court will determine if a bond is required.

5. **LIMITATIONS OF CLAIMS; WAIVER OF CLASS ACTION.** The following is added to the end of the first paragraph of Section 10.J of the Multi-Unit Operator Agreement:

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

6. **GOVERNING LAW.** The following is added to the end of Section 10.C of the Multi-Unit Operator Agreement:

Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

7. **CONSENT TO JURISDICTION.** The following is added to the end of Section 10.D of the Multi-Unit Operator Agreement:

Notwithstanding the foregoing, Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement shall abrogate or reduce any of your rights under Minnesota Statutes chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN NEW YORK

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we**,” “**us**,” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) an offer to sell is made in the State of New York; or (b) an offer to buy is accepted in the State of New York; or (c) if you are domiciled in the State of New York, the Restaurant is or will be operated in the State of New York.

2. **RELEASES AND WAIVERS.** The following is added to the end of Section 6.C(3) of the Multi-Unit Operator Agreement:

Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provision of Article 33 of the General Business Law of the State of New York and the regulations issued there under shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.4, as amended.

3. **CHOICE OF FORUM AND CHOICE OF LAW.** Nothing herein shall be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York General Business Law, as amended, and the regulations issued thereunder.

4. **TRANSFER.** The following sentence is added to the end of Section 6.A of the Multi-Unit Operator Agreement:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and financially able to assume our obligations under this Agreement.

5. **TERMINATION.** The following sentence is added to the end of Section 7.A of the Multi-Unit Operator Agreement:

You also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) an offer to sell is made in the State of North Dakota; or (b) an offer to buy is accepted in the State of North Dakota; or (c) if you are domiciled in the State of North Dakota, the Restaurant(s) that you develop under your Multi-Unit Operator Agreement are or will be operated in the State of North Dakota.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 3 of the Multi-Unit Operator Agreement:

Based upon the franchisor's financial condition, the North Dakota Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

3. **RELEASES.** The following is added to the end of Section 6.C(3) of the Multi-Unit Operator Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

4. **COVENANT NOT TO COMPETE.** The following is added to the end of Section 8.B of the Multi-Unit Operator Agreement:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

5. **ARBITRATION.** The following language is added to the end of Section 10.B of the Multi-Unit Operator Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which we and you mutually agree.

6. **GOVERNING LAW.** The second sentence of Section 10.C of the Multi-Unit Operator Agreement is deleted in its entirety and replaced with the following language:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other federal law, and except as otherwise required by North Dakota law, this Agreement, the franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Delaware, without regard to its conflict of laws rules, except that any state law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section.

7. **CONSENT TO JURISDICTION.** The following is added to the end of Section 10.D of the Multi-Unit Operator Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

8. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** To the extent required by the North Dakota Franchise Investment Law, Section 10.G of the Multi-Unit Operator Agreement is deleted.

9. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of the first paragraph of Section 10.J of the Multi-Unit Operator Agreement:

The statutes of limitations under North Dakota Law applies with respect to claims arising under the North Dakota Franchise Investment Law.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) an offer to sell is made or accepted in the State of Rhode Island, or (b) an offer to buy is accepted in the State of Rhode Island, or (c) you are a resident of the State of Rhode Island and the Restaurants you develop under your Multi-Unit Operator Agreement are or will be operated in the State of Rhode Island.

2. **GOVERNING LAW.** The following is added at the end of Section 10.C of the Multi-Unit Operator Agreement:

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.”

3. **CONSENT TO JURISDICTION.** The following is added at the end of Section 10.D of the Multi-Unit Operator Agreement:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “To the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.”

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN SOUTH DAKOTA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we**,” “**us**,” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) you are a resident of South Dakota and the Restaurants that you will develop under the Multi-Unit Operator Agreement will be located or operated in South Dakota; and/or (b) any of the offering or sales activity relating to the Multi-Unit Operator Agreement occurred in South Dakota.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 3 of the Multi-Unit Operator Agreement:

The South Dakota Department of Labor & Regulation’s Division of Securities requires us to defer payment of the initial franchise fee and other initial payments you owe us until your franchise is operational.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

RIDER TO THE TOHC FRANCHISING LLC
MULTI-UNIT OPERATOR AGREEMENT
FOR USE IN WASHINGTON

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we,**” “**us,**” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Operator Agreement dated _____, 20____ (the “**Multi-Unit Operator Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Operator Agreement. This Rider is being signed because (a) the offer is directed into the State of Washington and is received where it is directed; or (b) you are a resident of the State of Washington; or (c) the Restaurants that you develop under your Multi-Unit Operator Agreement are or will be located or operated, wholly or partly, in the State of Washington.

2. **WASHINGTON LAW.** The following paragraphs are added to the end of the Multi-Unit Operator Agreement:

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including 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.

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.

The Securities Division of the State of Washington Department of Financial Institutions requires the following language:

A release or waiver of rights executed by a franchisee 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.

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

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.

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.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Multi-Unit Operator Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

MULTI-UNIT OPERATOR:

(insert legal name)

Sign: _____

Name: _____

Title: _____

Sign: _____

Name: _____

Title: _____

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE-SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT**

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN GEORGIA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because you are located in the State of Georgia, or the Restaurant you develop will be located in Georgia.

2. **INITIAL FRANCHISE FEE.** The following paragraph is added at the end of Section 3.A of the Franchise Agreement:

We will not collect more than 15% of the purchase price that you pay us for your franchise. The balance of the purchase price will be paid into an escrow account, established with a bank or an attorney, which you and we agree on. The balance in escrow will be paid to us 60 days after the date that your Restaurant commences operation, or the date we have fully complied with our pre-opening obligations to you under this Agreement, whichever happens first.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in the State of Illinois, or (b) the offer of the franchise is made or accepted in the State of Illinois and the Restaurant that you develop under your Franchise Agreement is or will be operated in the State of Illinois.

3. **ILLINOIS FRANCHISE DISCLOSURE ACT.** The following language is added to the end of the Franchise Agreement:

Except for the U.S. Federal Arbitration Act and other federal laws in the U.S., the laws of the State of Illinois will govern this Agreement.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your rights upon termination and non-renewal of a franchise agreement are subject to sections 19 and 20 of the Illinois Franchise Disclosure Act.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we**,” “**us**,” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of the State of Maryland; or (b) the Restaurant that you develop under your Franchise Agreement is or will be operated in the State of Maryland; or (c) the offer to sell is made in the State of Maryland; or (d) the offer to buy is accepted in the State of Maryland.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 3 of the Franchise Agreement:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

3. **RELEASES.** The following is added to the end of Sections 13.B and 14 of the Franchise Agreement:

Pursuant to COMAR 02.02.08.16L, any release required as a condition of renewal and/or assignment/transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. **INSOLVENCY.** The following is added to the end of Section 15.B(18) of the Franchise Agreement:

This Section might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

5. **CONSENT TO JURISDICTION.** Section 18.C of the Franchise Agreement is supplemented by adding the following to the end of the Section:

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. **ARBITRATION.** Section 18.B of the Franchise Agreement is supplemented by adding the following to the end of the Section:

A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Registration and Disclosure Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

7. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of Section 18.J of the Franchise Agreement:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

8. **RELEASES.** The Franchise Agreement is further amended to state that “All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we**,” “**us**,” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the Restaurant that you will develop under the Franchise Agreement will be operated wholly or partly in the State of Minnesota; and/or (b) you either a resident of, domiciled it, or actually present in the State of Minnesota.

2. **RELEASES.** The following is added to the end of Sections 13.B and 14 of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **RENEWAL AND TERMINATION.** The following is added to the end of Sections 14 and 15 of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

4. **LOST REVENUE DAMAGES.** The following language is added to the end of Section 16.C of the Franchise Agreement

We and you acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, we and you agree to enforce the provision to the extent the law allows.

5. **INJUNCTIVE RELIEF.** Section 18.H of the Franchise Agreement is deleted and replaced with the following:

Notwithstanding the foregoing, a court will determine if a bond is required.

6. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of Section 18.J of the Franchise Agreement:

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

8. **GOVERNING LAW**. The following is added to the end of Section 18.D of the Franchise Agreement:

Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

9. **CONSENT TO JURISDICTION**. The following is added to the end of Section 18.C of the Franchise Agreement:

Notwithstanding the foregoing, Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement shall abrogate or reduce any of your rights under Minnesota Statutes chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN NEW YORK

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“**we**,” “**us**,” or “**our**”), and _____ a(n) _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) an offer to sell is made in the State of New York; or (b) an offer to buy is accepted in the State of New York; or (c) if you are domiciled in the State of New York, the Restaurant is or will be operated in the State of New York.

2. **RELEASES AND WAIVERS.** The following is added to the end of Sections 13.B and 14 of the Franchise Agreement:

Notwithstanding the foregoing all rights enjoyed by you and any causes of action arising in your favor from the provision of Article 33 of the General Business Law of the State of New York and the regulations issued there under shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.4, as amended.

3. **CHOICE OF FORUM AND CHOICE OF LAW.** Nothing herein shall be considered a waiver of any right conferred upon you by the provisions of Article 33 of the New York General Business Law, as amended, and the regulations issued thereunder.

4. **TRANSFER.** The following sentence is added to the end of Section 13.A of the Franchise Agreement:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in our good faith judgment, is willing and financially able to assume our obligations under this Agreement.

5. **TERMINATION.** The following sentence is added to the end of Section 15.A of the Franchise Agreement:

You also may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) an offer to sell is made in the State of North Dakota; or (b) an offer to buy is accepted in the State of North Dakota; or (c) if you are domiciled in the State of North Dakota, the Restaurant that you develop under your Franchise Agreement is or will be operated in the State of North Dakota.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 3 of the Franchise Agreement:

Based upon the franchisor's financial condition, the North Dakota Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

3. **RELEASES.** The following is added to the end of Sections 13.B and 14 of the Franchise Agreement:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

4. **COVENANT NOT TO COMPETE.** The following is added to the end of Section 16F of the Franchise Agreement:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota; however, we will enforce the covenants to the maximum extent the law allows.

5. **LOST REVENUE DAMAGES.** The following language is added to the end of Section 16.C of the Franchise Agreement:

We and you acknowledge that certain parts of this provision might not be enforceable under the North Dakota Franchise Investment Law. However, we and you agree to enforce the provision to the extent the law allows.

6. **ARBITRATION.** The following language is added to the end of Section 18.B of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration shall be held at a site to which we and you mutually agree.

7. **GOVERNING LAW.** The second sentence of Section 18.D of the Franchise Agreement is deleted in its entirety and replaced with the following language:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*), or other federal law, and except as otherwise required by North Dakota law, this Agreement, the franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Delaware, without regard to its conflict of laws rules, except that any state law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this section.

8. **CONSENT TO JURISDICTION.** The following is added to the end of Section 18.C of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

9. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** To the extent required by the North Dakota Franchise Investment Law, Section 18.G of the Franchise Agreement is deleted.

10. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of the first paragraph Section 18.J of the Franchise Agreement:

The statutes of limitations under North Dakota Law applies with respect to claims arising under the North Dakota Franchise Investment Law.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) an offer to sell is made or accepted in the State of Rhode Island, or (b) an offer to buy is accepted in the State of Rhode Island, or (c) you are a resident of the State of Rhode Island and the Restaurant that you develop under your Franchise Agreement is or will be operated in the State of Rhode Island.

2. **GOVERNING LAW.** The following is added at the end of Section 18.D of the Franchise Agreement:

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.”

3. **CONSENT TO JURISDICTION.** The following is added at the end of Section 18.C of the Franchise Agreement:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “To the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.”

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN SOUTH DAKOTA

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are a resident of South Dakota and the Restaurant that you will operate under the Franchise Agreement will be located or operated in South Dakota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in South Dakota.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 3 of the Franchise Agreement:

The South Dakota Department of Labor & Regulation’s Division of Securities requires us to defer payment of the initial franchise fee and other initial payments you owe us until your franchise is operational.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

RIDER TO THE TOHC FRANCHISING LLC
FRANCHISE AGREEMENT
FOR USE IN WASHINGTON

THIS RIDER is made and entered into by and between **TOHC Franchising LLC**, a Delaware limited liability company whose address is 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339 (“we,” “us,” or “our”), and _____ a(n) _____ whose principal business address is _____ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “**Franchise Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer is directed into the State of Washington and is received where it is directed; or (b) you are a resident of the State of Washington; or (d) the Restaurant that you develop under your Franchise Agreement is or will be located or operated, wholly or partly, in the State of Washington.

2. **WASHINGTON LAW.** The following paragraphs are added to the end of the Franchise Agreement:

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including 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.

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.

The Securities Division of the State of Washington Department of Financial Institutions requires the following language:

A release or waiver of rights executed by a franchisee 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.

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

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.

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.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider to be effective as of the effective date of the Franchise Agreement.

TOHC FRANCHISING LLC,
a Delaware limited liability company

FRANCHISEE:

(insert legal name)

Sign: _____
Name: _____
Title: _____

Sign: _____
Name: _____
Title: _____

NEW YORK REPRESENTATIONS PAGE

FRANCHISOR REPRESENTS THAT THIS FRANCHISE DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

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:

State	Effective Date
California	Pending
Hawaii	_____
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	November 10, 2023
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	November 10, 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.

EXHIBIT G
RECEIPTS

**RECEIPT
(OUR COPY)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TOHC Franchising LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, TOHC Franchising LLC or an affiliate in connection with the proposed franchise sale. Under Iowa law, TOHC Franchising LLC must give you this Disclosure Document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale. Under Michigan law, TOHC Franchising LLC must 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. Under New York law, TOHC Franchising LLC must provide this Disclosure Document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. If TOHC Franchising LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is TOHC Franchising LLC, 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339. Tel: 404-499-1960. The franchise seller for this offering is:

James Walker
2859 Paces Ferry Road
Suite 412
Atlanta, Georgia 30339
404-499-1960

Sunny Ashman
2859 Paces Ferry Road
Suite 412
Atlanta, Georgia 30339
404-499-1960

Name of Franchise Seller: _____
Principal Business Address: _____

Telephone No.: _____

Issuance Date: November 10, 2023 (The effective dates in the franchise registration states are noted on the page immediately preceding the Receipts cover page.)

See Exhibit A for TOHC Franchising LLC's registered agents authorized to receive service of process.

I have received a disclosure document dated November 10, 2023, that included the following Exhibits:

Exhibit A	List of State Agencies / Agents for Service of Process	Exhibit C	Table of Contents to Brand Standards Manual
Exhibit B-1	Franchise Agreement	Exhibit D	Financial Statements
Exhibit B-2	Multi-Unit Operator Agreement	Exhibit E-1	List of Current Franchisees
Exhibit B-3	Digital Brand Rider	Exhibit E-2	List of Former Franchisees
Exhibit B-4	Sample General Release	Exhibit F	State Riders and Addenda
Exhibit B-5	Representations Statement	Exhibit G	Receipts

Print Name of Business Entity

Print Name of Individual

Sign: _____

Sign: _____

Title: _____

Dated: _____

Name: _____

Dated: _____

Please sign this copy of the receipt, print the date on which you received this disclosure document, and return it, by mail or email, to TOHC Franchising LLC, 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339. Phone: 404-499-1960. Email: sunny@oghotchicken.com

**RECEIPT
(YOUR COPY)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TOHC Franchising LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, TOHC Franchising LLC or an affiliate in connection with the proposed franchise sale. Under Iowa law, TOHC Franchising LLC must give you this Disclosure Document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to us or an affiliate in connection with the proposed franchise sale. Under Michigan law, TOHC Franchising LLC must 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. Under New York law, TOHC Franchising LLC must provide this Disclosure Document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. If TOHC Franchising LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is TOHC Franchising LLC, 2859 Paces Ferry Road, Suite 412, Atlanta, Georgia 30339. Tel: 404-499-1960. The franchise seller for this offering is:

James Walker
2859 Paces Ferry Road
Suite 412
Atlanta, Georgia 30339
404-499-1960

Sunny Ashman
2859 Paces Ferry Road
Suite 412
Atlanta, Georgia 30339
404-499-1960

Name of Franchise Seller: _____
Principal Business Address: _____
Telephone No.: _____

Issuance Date: November 10, 2023. (The effective dates in the franchise registration states are noted on the page immediately preceding the Receipts cover page.)

See Exhibit A for TOHC Franchising LLC's registered agents authorized to receive service of process.

I have received a disclosure document dated November 10, 2023, that included the following Exhibits:

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Exhibit B-3	Digital Brand Rider	Exhibit E-2	List of Former Franchisees
Exhibit B-4	Sample General Release	Exhibit F	State Riders and Addenda
Exhibit B-5	Representations Statement	Exhibit G	Receipts

Print Name of Business Entity

Print Name of Individual

Sign: _____

Sign: _____

Title: _____

Dated: _____

Name: _____

Dated: _____

PLEASE SIGN THIS COPY OF THE RECEIPT, PRINT THE DATE ON WHICH YOU RECEIVED THIS DISCLOSURE DOCUMENT AND KEEP IT FOR YOUR RECORDS.